

GCP Infrastructure Investments Limited

Placing Programme in
respect of
Ordinary Shares 2017

Investment Adviser

GCP

Sponsor and Bookrunner

Stifel Nicolaus Europe Limited

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take or the contents of this document, you should consult immediately a person authorised for the purposes of the Financial Services and Markets Act 2000 (as amended) (“FSMA”) who specialises in advising on the acquisition of shares and other securities if you are in the United Kingdom, or another appropriately authorised financial adviser if you are outside the United Kingdom.

A copy of this document, which comprises a prospectus relating to GCP Infrastructure Investments Limited (the “Company”), prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the “FCA”) made under section 73A of FSMA, has been filed with the FCA in accordance with Rule 3.2 of the Prospectus Rules. This document has been made available to the public as required by the Prospectus Rules.

Application will be made to the UK Listing Authority for all of the New Ordinary Shares to be issued pursuant to the 2017 Placing Programme to be admitted to the Premium Listing segment of the Official List and for all such New Ordinary Shares to be admitted to trading on the premium segment of the London Stock Exchange’s Main Market for listed securities. It is expected that Admission of such New Ordinary Shares will become effective and dealings in such New Ordinary Shares will commence not later than 27 March 2018.

The Ordinary Shares are not dealt in on any other recognised investment exchanges and no applications for the Ordinary Shares to be traded on any such other exchanges have been made or are currently expected to be made.

The Directors of the Company, whose names and functions appear in the “Directors, Agents and Advisers” section of this document, and the Company itself, accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and of the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Investment Adviser accepts responsibility for the information contained in paragraph 8 of Part 1, paragraph 3 of Part 2 and Part 3 of this document. To the best of the knowledge of the Investment Adviser, who has taken all reasonable care to ensure that such is the case, the information contained in paragraph 8 of Part 1, paragraph 3 of Part 2 and Part 3 of this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Although the whole text of this document should be read, the attention of persons receiving this document and of prospective investors in the Company is drawn to the section headed “Risk Factors” contained on pages 13 to 24 of this document.

GCP Infrastructure Investments Limited

(a company incorporated in Jersey under the Companies (Jersey) Law, 1991 (as amended) with registered no. 105775)

2017 Placing Programme in respect of up to 215 million Ordinary Shares

Sponsor and Bookrunner

Stifel Nicolaus Europe Limited

Stifel Nicolaus Europe Limited (“Stifel”) is authorised and regulated in the United Kingdom by the FCA and is acting for the Company and no-one else in connection with the 2017 Placing Programme and the contents of this document and will not be responsible to anyone other than the Company for providing the protections afforded to its respective clients or for affording advice in relation to the 2017 Placing Programme, the contents of this document or any matters referred to herein. Nothing in this paragraph shall serve to exclude or limit any responsibilities which Stifel may have under FSMA or the regulatory regime established thereunder. Stifel shall not take any responsibility for any part of the contents of this document pursuant to sections 79(3) or 90 of FSMA and neither of them accept any responsibility for, nor authorises, any part of the contents of this document under rule 5.5 of the Prospectus Rules of the FCA.

The New Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or under the applicable state securities laws of the United States, and may not be offered or sold directly or indirectly in or into the United States, or to or for the account or benefit of any US person (within the meaning of Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. In addition, the Company has not been, and will not be, registered under the United States Investment Company Act of 1940, as amended.

This document is dated 28 March 2017.

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SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A – Introduction and warnings		
A.1	Warning	This summary should be read as an introduction to this Prospectus. Any decision to invest in the securities should be based on consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Subsequent resale of securities or final placement of securities through financial intermediaries	Not applicable. GCP Infrastructure Investments Limited (the " Company ") is not engaging any financial intermediaries for any resale of securities or final placement of securities after the publication of this document.
Section B – The Company		
B.1	Legal and commercial name	GCP Infrastructure Investments Limited.
B.2	Domicile and legal form, legislation and country of incorporation	The Company is a closed-ended investment company incorporated in Jersey under the Companies (Jersey) Law, 1991, (as amended) and is a certified fund pursuant to the CIF Law and the Jersey Listed Fund Guide. Its registered office is situated at 12 Castle Street, St. Helier, Jersey JE2 3RT.
B.5	Details of any group of which the Company forms part	Not applicable. The Company is not part of a group.

B.6	Notifiable interests and voting rights	<p>As at 24 March 2017 (being the latest practicable date before publication of this document), the Company is aware of the following existing Shareholders who were at such time interested, directly or indirectly, in 3 per cent. or more of the Company's issued share capital:</p> <table data-bbox="571 293 1442 705"> <thead> <tr> <th><i>Name</i></th> <th><i>Number of Ordinary Shares</i></th> <th><i>Percentage of issued share capital</i></th> </tr> </thead> <tbody> <tr> <td>Insight Investment Management</td> <td>53,350,104</td> <td>7.28</td> </tr> <tr> <td>Investec Wealth Management</td> <td>42,182,365</td> <td>5.75</td> </tr> <tr> <td>Rathbone Investment Management</td> <td>41,090,694</td> <td>5.61</td> </tr> <tr> <td>Tredje AP Fonden</td> <td>37,750,000</td> <td>5.15</td> </tr> <tr> <td>Close Asset Management</td> <td>36,877,781</td> <td>5.03</td> </tr> <tr> <td>BMO Global Asset Management</td> <td>35,734,952</td> <td>4.87</td> </tr> <tr> <td>Brewin Dolphin</td> <td>34,954,444</td> <td>4.77</td> </tr> <tr> <td>West Yorkshire Pension Fund</td> <td>30,344,860</td> <td>4.14</td> </tr> <tr> <td>Quilter Cheviot Investment Management</td> <td>25,292,918</td> <td>3.45</td> </tr> </tbody> </table> <p>None of the above Shareholders has different Shareholder rights to those of other Shareholders.</p> <p>As at the date of this document, the Company is not aware of any person or persons who, directly or indirectly, jointly or severally, exercises control of the Company, nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.</p>	<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	Insight Investment Management	53,350,104	7.28	Investec Wealth Management	42,182,365	5.75	Rathbone Investment Management	41,090,694	5.61	Tredje AP Fonden	37,750,000	5.15	Close Asset Management	36,877,781	5.03	BMO Global Asset Management	35,734,952	4.87	Brewin Dolphin	34,954,444	4.77	West Yorkshire Pension Fund	30,344,860	4.14	Quilter Cheviot Investment Management	25,292,918	3.45														
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B.7	Selected historical key financial information and significant change to the Company's financial condition and operating results	<p>Selected historical key financial information of the Company as at 30 September 2014, 30 September 2015 and 30 September 2016 is set out below. The information has been extracted without material adjustment from the audited consolidated financial statements of the Company for the year ended 30 September 2014 and the audited financial statements of the Company for the years ended 30 September 2015 and 30 September 2016.</p> <table data-bbox="571 1234 1442 1848"> <thead> <tr> <th></th> <th><i>As at 30 September 2016</i> £'000</th> <th><i>As at 30 September 2015</i> £'000</th> <th><i>As at 30 September 2014*</i> £'000</th> </tr> </thead> <tbody> <tr> <td>Assets</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Cash and cash equivalents</td> <td>52,057</td> <td>4,906</td> <td>38,432</td> </tr> <tr> <td>Receivables and prepayments</td> <td>303</td> <td>1,279</td> <td>44,613</td> </tr> <tr> <td>Investments at fair value</td> <td>699,682</td> <td>657,730</td> <td>389,036</td> </tr> <tr> <td>Total assets</td> <td><u>752,042</u></td> <td><u>663,915</u></td> <td><u>472,081</u></td> </tr> <tr> <td>Liabilities</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Payables and accrued expenses</td> <td>1,998</td> <td>3,248</td> <td>1,278</td> </tr> <tr> <td>Financial liabilities at fair value</td> <td>26,208</td> <td>41,123</td> <td>—</td> </tr> <tr> <td>Total liabilities</td> <td><u>28,206</u></td> <td><u>44,371</u></td> <td><u>1,278</u></td> </tr> <tr> <td>Net assets</td> <td><u>723,836</u></td> <td><u>619,544</u></td> <td><u>470,803</u></td> </tr> </tbody> </table> <p>* The 30 September 2014 figures appear as restated in the audited financial statements for the year ended 30 September 2015 following the adoption of IFRS 10 as of 1 October 2014.</p>		<i>As at 30 September 2016</i> £'000	<i>As at 30 September 2015</i> £'000	<i>As at 30 September 2014*</i> £'000	Assets				Cash and cash equivalents	52,057	4,906	38,432	Receivables and prepayments	303	1,279	44,613	Investments at fair value	699,682	657,730	389,036	Total assets	<u>752,042</u>	<u>663,915</u>	<u>472,081</u>	Liabilities				Payables and accrued expenses	1,998	3,248	1,278	Financial liabilities at fair value	26,208	41,123	—	Total liabilities	<u>28,206</u>	<u>44,371</u>	<u>1,278</u>	Net assets	<u>723,836</u>	<u>619,544</u>	<u>470,803</u>
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Detailed below are the adjusted Net Asset Values attributable to the holders of Ordinary Shares as at the relevant dates as calculated in accordance with the Company's policies as described in this document for calculating its published Net Asset Value.

	<i>As at 30 September 2016</i>	<i>As at 30 September 2015</i>	<i>As at 30 September 2014</i>
<i>Period/Year end position</i>			
Net assets attributable to Ordinary Shares (£'000)	723,836	619,544	470,803
Net Asset Value per Ordinary Share	109.67p	107.47p	104.53p

During the financial year ended 30 September 2014, the Company carried out an open offer, placing and offer for subscription of C Shares, which raised gross proceeds of £80 million. Those C Shares converted into Ordinary Shares in August 2014. The Company also carried out a placing of Ordinary Shares pursuant to the 2014 Placing Programme, which raised gross proceeds of £20 million. GCP Infrastructure Asset Holdings Limited, a subsidiary of the Company at that time, advanced new loans during that period totalling £116.5 million.

During the financial year ended 30 September 2015, the Company carried out two placings of ordinary shares, which raised, in aggregate, gross proceeds of £140 million. The Company advanced new loans during that period totalling £220.2 million. During that period the Company entered into a £50 million revolving credit facility with the Royal Bank of Scotland.

During the financial year ended 30 September 2016, the Company carried out two placings of Ordinary Shares pursuant to the 2015 Placing Programme and the 2016 Placing Programme, which raised, in aggregate, gross proceeds of £95 million. The Company also advanced new loans totalling £92.8 million during that period.

Save to the extent described above there has been no significant change in the financial condition and operating results of the Company during the period from 1 October 2013 to 30 September 2016.

Save to the extent disclosed below, there has been no significant change in the financial condition and operating results of the Company since 30 September 2016, being the end of the period covered by the historical financial information:

- the Company has advanced new loans totalling £69.6 million;
- on 14 October 2016, the Board announced a dividend of 1.9 pence per Ordinary Share for the period from 1 July 2016 to 30 September 2016;
- on 22 November 2016, the Company drew down £10 million on its £50 million revolving credit facility with Royal Bank of Scotland International Limited;
- on 25 November 2016, 211,066 Ordinary Shares were issued to Shareholders who elected to receive the scrip dividend alternative in lieu of cash for the interim dividend for the period from 1 July 2016 to 30 September 2016;
- on 1 December 2016, the Company completed a Placing of 72,874,494 Ordinary Shares, raising gross proceeds of £90 million;
- on 7 December 2016, the Company repaid £36.5 million of its £50 million revolving credit facility with Royal Bank of Scotland, bringing the balance on the facility as at that date to nil;

		<ul style="list-style-type: none"> on 17 January 2017, the Board announced a dividend of 1.9 pence per Ordinary Share for the period from 1 October 2016 to 31 December 2016, payable on 3 March 2017; on 18 January 2017 the Company entered into a three year extension to its revolving credit facility with the Royal Bank of Scotland for an amount of £75 million; and on 3 March 2017, 632,235 Ordinary Shares were issued to Shareholders who elected to receive the scrip dividend alternative in lieu of cash for the interim dividend for the period from 1 October 2016 to 31 December 2016.
B.8	Selected key <i>pro forma</i> financial information	Not applicable. No <i>pro forma</i> financial information is included in this document.
B.9	Profit forecast or estimate	Not applicable. No profit forecast or estimate is made in this document.
B.10	Qualifications in the audit report	Not applicable.
B.11	Insufficiency of working capital	Not applicable.
B.34	Description of investment objective, policy and investment restrictions	<p>The Company's investment objectives are to provide its Shareholders with regular, sustained, long-term distributions and to preserve the capital value of its investment assets over the long term by generating exposure to infrastructure debt and related and/or similar assets.</p> <p>To achieve its investment objectives, the Company focuses on taking debt exposure to infrastructure projects which have pre-determined, very long term, public sector-backed revenues, no construction or property risks and contracts which are "availability" based (i.e. the payments under the contracts do not depend on the level of use of the project assets).</p> <p>It is intended that such investments will make up a minimum of 75 per cent. of the Company's total assets. It is also intended that not more than 10 per cent. in value of the Company's total assets from time to time consist of securities or loans relating to any one individual infrastructure asset. The Company may also consider, in respect of up to an absolute maximum of 25 per cent. of its total assets (at the time the relevant investment is made), taking exposure to projects that are not within its primary focus.</p> <p>The Company is not subject to any other investment restrictions, save that it is required to manage and invest its assets in accordance with its investment objectives and policy as stated above.</p> <p>The Directors will exercise any voting rights in relation to any of the Company's underlying assets.</p> <p>No material change will be made to the Company's investment objectives or investment policy without the approval of Shareholders by ordinary resolution.</p>
B.35	Borrowing and/or leverage limits	Structural gearing is permitted up to a maximum of 20 per cent. of the Company's Net Asset Value immediately following draw down of the relevant debt.

B.36	Regulatory status of the Company	<p>On 18 January 2017 the Company entered into an agreement with the Royal Bank of Scotland in respect of an increase to the £50 million revolving credit facility entered into on 23 March 2015. The increased facility is for an amount of £75 million.</p> <p>As at 24 March 2017, the Company had not drawn down any amount under this facility.</p> <p>The principal legislation under which the Company operates is the Jersey Companies Law.</p> <p>The Company is a certified fund in Jersey pursuant to the CIF Law and the Jersey Listed Fund Guide.</p>
B.37	Profile of typical investors	<p>Typical investors in the Company are expected to be institutional and sophisticated investors and private clients.</p>
B.38	Investment in excess of 20 per cent. of the Company's gross assets in another collective investment undertaking	<p>Not applicable.</p>
B.39	Investment in excess of 40 per cent. of the Company's gross assets in another collective investment undertaking	<p>Not applicable.</p>
B.40	The Investment Adviser and the Company's other service providers	<p>Gravis Capital Partners LLP is the investment adviser of the Company. The Investment Adviser provides investment advice to the Company in accordance with the terms of an investment advisory agreement with the Company.</p> <p>Under the terms of the Investment Advisory Agreement, the Investment Adviser receives an investment advisory fee from the Company equal to 0.9 per cent. per annum of NAV (net of cash holdings). The Investment Adviser is also entitled to an arrangement fee of up to 1 per cent. of the cost of each asset acquired by the Company. The Investment Adviser will generally seek to charge the arrangement fee to borrowers rather than the Company where possible but, in any event, any such fee payable to the Investment Adviser will not exceed (and has not to date exceeded) 1 per cent. To the extent any arrangement fee negotiated by the Investment Adviser with a borrower exceeds 1 per cent. any such excess shall be for the benefit of the Company. No performance fee is charged. The Investment Adviser receives a fee of £60,000 per annum for acting as AIFM.</p> <p>Capita Financial Administrators (Jersey) Limited has been appointed by the Company to provide administrative and secretarial services in accordance with the terms of an administration agreement with the Company. Under the terms of the Administration Agreement, the Administrator will receive an annual fee based on a percentage (on a sliding scale) of NAV, which will be payable monthly in arrears. The administration fee will be subject to a minimum annual fee of £160,000.</p> <p>The annual fee charged by the Administrator for the provision of a Jersey Compliance Officer, Money Laundering Compliance Officer and Money Laundering Reporting Officer is £10,000 per annum payable monthly in arrears.</p>

		<p>Capita Registrars (Jersey) Limited is the registrar of the Company and is party to a share registration services agreement with the Company. Under the Company Share Registration Services Agreement, the Registrar is entitled to receive a minimum agreed fee of £17,900 per annum in respect of basic registration services. Together with any additional registrar activity not included in such basic registration services, it is currently expected the fees payable to the Registrar will be approximately £57,500 per annum.</p> <p>Capita Trust Company (Jersey) Limited is the custodian and depositary, for the purposes of AIFMD, of the Company and is party to a custodian agreement with the Company. Under the Custodian Agreement, the Custodian is entitled to receive a fee of 0.03 per cent. per annum of NAV subject to a minimum annual fee of £40,000.</p>
B.41	Identity and regulatory status of the Investment Adviser	<p>The investment adviser to the Company is Gravis Capital Partners LLP. The Company is an alternative investment fund (within the meaning of AIFMD). The Investment Adviser acts as the alternative investment fund manager (within the meaning of AIFMD) of the Company. It is authorised and regulated by the Financial Conduct Authority to act in such capacity with Firm Reference Number 487393.</p>
B.42	Valuation and publication of the Company's Net Asset Value	<p>Mazars LLP is the Company's valuation agent and is responsible for carrying out a fair market valuation of the Company's investments. The Net Asset Value of the Company is calculated by the Administrator on a quarterly basis. The Net Asset Value per Ordinary Share is announced through a Primary Information Provider and published on the Investment Adviser's website.</p>
B.43	Cross liability	Not applicable.
B.44	Statement confirming no financial statements are in existence	Not applicable.
B.45	Description of the Company's portfolio	<p>As at the Latest Practicable Date, the Company is exposed to a diversified portfolio of partially inflation protected investments comprising 45 investments with an unaudited valuation of £762.7 million and with a weight-adjusted annualised yield of 8.7 per cent. The average term of the Company's investment portfolio as at that date was 16 years. The Company's investment portfolio is 24 per cent. exposed to PFI projects, 59 per cent. exposed to renewable energy assets, 15 per cent. exposed to social housing transactions and 2 per cent. exposed to asset finance. 64 per cent. of the investment portfolio is secured on a senior basis. Approximately 67 per cent. of the investment portfolio is inflation protected.</p> <p>The Company has not made any investment or undertaken any disposal, and there has been no material change in the relative valuations of the Company's existing investments, between the Latest Practicable Date and the date of this document.</p>
B.46	Net Asset Value per Ordinary Share	As at 30 December 2016, the Net Asset Value per Ordinary Share was 110.80 pence.

Section C – Securities		
C.1	Type and class of securities being offered and admitted to trading and identification number	<p>The Company intends to issue up to 215 million New Ordinary Shares of £0.01 each at a minimum issue price equal to the prevailing NAV per Ordinary Share (cum-income) at the time of allotment together with a premium intended to at least cover the costs and expenses of the relevant placing of Ordinary Shares (including, without limitation, any placing commissions) and the initial investment of the amounts raised pursuant to the 2017 Placing Programme.</p> <p>The ISIN for the Ordinary Shares (which includes the New Ordinary Shares) is JE00B6173J15.</p>
C.2	Currency denomination of Ordinary Shares	The Ordinary Shares are denominated in sterling.
C.3	Details of share capital	<p>The Company has an authorised share capital of:</p> <p style="padding-left: 40px;">1,500,000,000 Ordinary Shares of £0.01 each;</p> <p style="padding-left: 40px;">300,000,000 C Shares of £0.01 each; and</p> <p style="padding-left: 40px;">300,000,000 Deferred Shares of £0.01 each.</p> <p>As at 24 March 2017 (being the latest practicable date before publication of this document), there were 733,743,716 Ordinary Shares (fully paid) and no C Shares or Deferred Shares in issue.</p>
C.4	Rights attaching to the Ordinary Shares	<p>The holders of Ordinary Shares shall only be entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares that they hold.</p> <p>On a winding-up or a return of capital by the Company, the holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to any C Shares in issue.</p> <p>The Ordinary Shares carry the right to receive notice of, attend and vote at general meetings of the Company.</p> <p>The consent of the holders of Ordinary Shares will be required for the variation of any rights attached to the Ordinary Shares.</p>
C.5	Restrictions on the transferability of Ordinary Shares	Not applicable.
C.6	Application for admission to trading on a regulated market	<p>Application will be made for the New Ordinary Shares, when issued, to be admitted to the Premium Listing segment of the Official List and to trading on the premium segment of the Main Market of the London Stock Exchange.</p> <p>It is expected that Admission will occur, and that dealings in the New Ordinary Shares will commence, not later than 27 March 2018.</p>
C.7	Dividend policy	<p>The Company seeks to provide Shareholders with regular, sustained, long-term distributions. The Company pays dividends on a quarterly basis with dividends declared in January, April, July and October and typically paid in February, May, August and November in each financial year.</p> <p>In respect of the financial year ended 30 September 2016, the Company paid dividends totalling 7.60 pence per Ordinary Share.</p>

		<p>The Company has previously offered a scrip dividend alternative to Shareholders and currently anticipates that it will continue to do so.</p> <p>The Company intends to comply with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011 as if it were a UK investment trust for the purposes of distributions and accordingly will not retain more than 15 per cent. of its income in respect of an accounting period.</p>
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Section D – Risks		
D.1	Key information on the key risks that are specific to the Company	<p>The key risk factors relating to the Company are:</p> <ul style="list-style-type: none"> ● the Company will invest exclusively in infrastructure investments and will therefore bear the risk of investing in only one asset class, meaning that there will be no income from another class of assets to off-set any adverse change in the returns from infrastructure investments; ● a counterparty in an infrastructure project in which the Company has invested or to which the Company has exposure may default, resulting in significant difficulties in finding an alternative or replacement counterparty on the same or better terms; ● whilst the use of borrowings should enhance the Net Asset Value of the Ordinary Shares when the value of the Company’s underlying assets is rising, it will have the opposite effect where the underlying asset value is falling. In the event that the Company’s income falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Company and accordingly will have an adverse effect on the Company’s ability to pay dividends to Shareholders. The use of borrowings will also result in interest expense on the Company’s borrowings and other costs and any increase in interest rates could have an adverse impact on the Company’s borrowing or its ability to secure borrowing facilities and could result in the expected dividends of the Company being reduced and/or a reduction in the value of the Ordinary Shares. As such the Company is exposed to interest rate risk due to fluctuations in the prevailing market rates and in certain circumstances may be required to prematurely liquidate investments to service its debt obligations; ● borrowers in respect of an infrastructure project in which the Company has invested may default on their obligations to the Company and such a default may adversely affect the income received by the Company and the value of the Company’s assets; and ● any change in the laws, regulations and/or UK Government policy, in particular relating to the PFI and renewable energy markets, may have an adverse effect on the performance of the Company’s investment portfolio and the returns achieved by the Company.
D.3	Key information on the key risks that are specific to the Ordinary Shares	<p>The key risk factors relating to the Ordinary Shares are:</p> <ul style="list-style-type: none"> ● the market price of Ordinary Shares may fluctuate significantly and investors may not be able to sell their Ordinary Shares at or above the price at which they purchased them, meaning that they could lose all or part of their investment; ● an active and liquid trading market in the Ordinary Shares may not be maintained; ● there can be no assurance as to the level and/or payment of any dividends by the Company in relation to the Ordinary Shares; and

		<ul style="list-style-type: none"> the Ordinary Shares may trade at a discount to their NAV per share and there can be no guarantee that attempts by the Company to mitigate such a discount (if any such attempts are capable of being and in fact are made) will be successful.
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Section E – Offer

E.1	Proceeds and expenses of the 2017 Placing Programme	<p>The maximum aggregate number of New Ordinary Shares that may be made available under the 2017 Placing Programme is 215 million. The net proceeds of the 2017 Placing Programme are dependent on the number and Issue Price of New Ordinary Shares issued pursuant to the 2017 Placing Programme.</p> <p>Expenses payable by the Company in relation to the 2017 Placing Programme irrespective of whether any Ordinary Shares are issued under the 2017 Placing Programme will be approximately £320,000. On the assumption that the Company issues the maximum number of New Ordinary Shares available for issue under the 2017 Placing Programme at an average Issue Price, for illustrative purposes only, of 113.02 pence* per Ordinary Share, the gross proceeds from the 2017 Placing Programme will be £243 million and the expenses payable by the Company in relation to the 2017 Placing Programme (including the costs of establishment of, and publication of the documentation relating to, the 2017 Placing Programme, fees, commissions and registration and Placing Programme Admission fees) will be £4.1 million, resulting in net proceeds of approximately £238.9 million.</p> <p><i>*This assumed illustrative Issue Price represents the NAV per Ordinary Share (cum-income) as at 30 December 2016 together with a premium of 2 per cent., expected to cover the costs and expenses of the 2017 Placing Programme.</i></p>
E.2a	Reasons for the 2017 Placing Programme, use of proceeds and estimated net amount of proceeds	<p>The Directors, who have been advised by the Investment Adviser, believe there are significant opportunities in the infrastructure debt market. Furthermore, there is continued demand for the Company's equity, which has traded at a premium to its Net Asset Value per share since the initial public offering of the Company's Ordinary Shares. The 2017 Placing Programme is being created to enable the Company to raise further capital on an ongoing basis as it is required. The Company will invest the net proceeds of the 2017 Placing Programme in investments in line with its investment objectives and policy.</p>
E.3	Terms and conditions of the 2017 Placing Programme	<p>The Company will institute the 2017 Placing Programme pursuant to which New Ordinary Shares will be made available to placees at a minimum Issue Price equal to the prevailing Net Asset Value per Ordinary Share (cum-income) at the time of allotment together with a premium intended to at least cover the costs and expenses of the placing (including, without limitation, any placing commissions) and the initial investment of the amounts raised.</p> <p>An extraordinary general meeting of the Company was held on 10 February 2017 at which the Company sought from Shareholders the approval necessary for the 2017 Placing Programme to be implemented. Shareholders duly passed a resolution to authorise the Directors to disapply pre-emption rights in respect of the issue of up to 215 million New Ordinary Shares.</p> <p>Each issue of New Ordinary Shares will be conditional, <i>inter alia</i>, on Admission of such New Ordinary Shares.</p>

E.4	Material interests	Not applicable.
E.5	Selling securities holders and lock-up agreements	Not applicable.
E.6	Dilution	If 215 million New Ordinary Shares (being the maximum number of New Ordinary Shares available under the 2017 Placing Programme) are issued pursuant to the 2017 Placing Programme, the share capital of the Company in issue at the date of this document will, following the closing of the 2017 Placing Programme, be increased by 29.3 per cent. as a result of the 2017 Placing Programme. On this basis, if a Shareholder does not acquire any New Ordinary Shares, his or her proportionate economic interest in the Company will be diluted by 22.7 per cent.
E.7	Estimated expenses charged to investors by the Company	The issue price of New Ordinary Shares will include a premium intended, <i>inter alia</i> , to at least cover the costs and expenses of the relevant Placing of New Ordinary Shares (including, without limitation, any placing commissions) and the initial investment of the amounts raised.

RISK FACTORS

An investment in the Company involves significant risks and is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may be equal to the whole amount invested) which may result from such an investment. Accordingly, prospective investors should review carefully and evaluate the risks and the other information contained in this document before making a decision to invest in the Company. If in any doubt, prospective investors should immediately seek their own personal financial advice from their independent professional adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities or other professional advisers such as legal advisers and accountants if in the UK, or if not in the UK from another appropriate adviser.

If any of the following risks actually occurs, the business, financial condition, capital resources, results and/or future operations of the Company could be materially and adversely affected. In such circumstances, the trading price of the Ordinary Shares could decline and investors may lose all or part of their investment. Additional risks and uncertainties not currently known may also have an adverse effect on the Company.

The Directors believe that the risks described below are the material risks relating to the Ordinary Shares, the Company and its industry at the date of this document. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem to be immaterial at the date of this document, may also have an adverse effect on the performance of the Company and the value of the Ordinary Shares. Potential investors should review this document carefully and in its entirety and consult with their professional advisers before investing in the Ordinary Shares.

A. Risks relating to the Company

The Directors, the Investment Adviser and the Administrator may have conflicts of interest in the course of their duties

The Directors, the Investment Adviser and the Administrator may, from time to time, provide services to, or be otherwise involved with, other investment programmes established by parties other than the Company and which may have similar objectives to those of the Company. It is therefore possible that any of these investment programmes may, in the course of business, have potential conflicts of interest with the Company, which may be to the detriment of the Company. The Directors are, however, subject to the provisions of Jersey law, which impose a range of duties upon directors, including in relation to avoiding conflicts of interest in certain circumstances. In addition, the Investment Adviser has undertaken to the Company, among other things, to seek to ensure that conflicts of interest that it may be faced with are resolved fairly.

Changes in laws or regulations may adversely affect the Company's business, investments and the results of its operations

The Company and the Investment Adviser are subject to laws and regulations enacted by national, regional and local governments and institutions. These laws and regulations and their respective interpretation and application may change from time to time and those changes could have a material adverse effect on the Company's investments and the results of its operations.

UK exit from the European Union

A referendum was held on 23 June 2016 to decide whether the UK should remain in the EU. A vote was given in favour of the UK leaving the EU ("**Brexit**"). The extent of the impact of Brexit on the Company and the operational activities of borrowers to which the Company provides finance will depend in part on the nature of the arrangements that are put in place between the UK and the EU following the eventual Brexit and the extent to which the UK continues to apply laws that are based on EU legislation. The Company and the assets against which it invests may also be subject to a significant period of uncertainty in the period leading up to eventual Brexit including, *inter alia*, uncertainty in relation to any potential regulatory or tax change. In addition, the macroeconomic effect of an eventual Brexit on the value of investments in the UK infrastructure sector and, by extension, the value of the investments in the Company's investment portfolio, is unknown. Brexit could also create significant UK (and potentially global) stock market uncertainty, which may have a material adverse effect on the Net Asset Value and the price of the Ordinary

Shares. As such, it is not possible to accurately state the impact that Brexit will have on the Company and its investments at this stage. Brexit may also make it more difficult for the Company to raise capital in the EU and/or increase the regulatory compliance burden on the Company. This could restrict the Company's future activities and thereby negatively affect returns.

Availability of appropriate assets

The Directors and the Investment Adviser believe that there remains substantial demand for investments of the type typically made and intended to be made by the Company through acquiring debt instruments issued by infrastructure Project Companies backed by long dated, secure, public sector backed contracts. However, there is no guarantee that such demand will continue to result in sufficient investments being made in a timely manner, or at all, to allow the Company to deliver returns to Shareholders at the levels achieved to date. When the availability of appropriate assets is lower than expected, it is likely that the Company will take longer than expected to identify and make investments in appropriate assets and therefore a greater proportion of the Company's assets will be held in cash which will generate a much lower return than currently envisaged for Shareholders.

Borrowing risk

In accordance with its investment policy the Company is permitted structural gearing up to a maximum of 20 per cent. of Net Asset Value immediately following draw down on the relevant debt. Further, on 18 January 2017 the Company entered into an agreement with the Royal Bank of Scotland in respect of an increase to the £50 million revolving credit facility entered into on 23 March 2015. The increased facility is for £75 million and will expire on 23 March 2018.

Prospective investors should be aware that, whilst the use of borrowings should enhance the Net Asset Value of the Ordinary Shares when the value of the Company's underlying assets is rising, it will, however, have the opposite effect where the underlying asset value is falling. In addition, in the event that the Company's income falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Company and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

The use of borrowing will also result in interest expense on the Company's borrowings and other costs. Any increase in interest rates could have an adverse impact on the Company's borrowing or its ability to secure borrowing facilities and could result in the expected dividends of the Company being reduced and/or a reduction in the value of the Ordinary Shares. As such, the Company is exposed to interest rate risk due to fluctuations in the prevailing market rates. In certain circumstances the Company may be required to prematurely liquidate investments to service its debt obligations.

There is no guarantee that any borrowings of the Company will be refinanced on their maturity either on terms that are commercially acceptable to the Company or at all. In those circumstances the Company may be required to prematurely liquidate investments to service its debt obligations in order to repay borrowings, although there is no guarantee that the Company will be able to liquidate investments in order to fulfil these obligations at prices reflective of their valuation, if at all.

B. Risks relating to regulation

The AIFMD may prevent or restrict the marketing of the Ordinary Shares in the EEA

The AIFMD initially allows marketing of a non-EU AIF, such as the Company, by its AIFM or its agent under national private placement regimes where individual states so choose. The United Kingdom has adopted such a private placement regime, as have numerous other EEA states, albeit certain EEA states are subject to additional conditions imposed by national law. Such marketing will be subject to, *inter alia*, (a) the requirement that appropriate cooperation agreements continue to be in place between the supervisory authorities of the relevant EEA states and the JFSC, (b) Jersey not being on the Financial Action Task Force money-laundering blacklist, and (c) compliance with certain aspects of the AIFMD. Therefore, marketing into an EEA state (such as the UK) under the AIFMD is likely to involve additional compliance costs related to additional and ongoing investor disclosures and reports to regulators.

Accordingly, the ability of the Company or the Investment Adviser to market the Company's securities in the EEA will depend on the relevant EEA state permitting the marketing of non-EEA managed funds, the continuing status of Jersey in relation to the AIFMD and the Company's and the Investment Adviser's willingness to comply with the relevant provisions of the AIFMD and the

other requirements of the national private placement regimes of individual EEA states, the requirements of which may restrict the Company's ability to raise additional capital from the issue of new Ordinary Shares in one or more EEA states.

Changes to the AIFMD regime or its interpretation may have a material adverse effect on the Company

The AIFMD has only recently come into force and is untested by the regulators or the courts. Changes to the AIFMD regime or new recommendations and guidance as to its implementation may impose new operating requirements or result in a change in the operating procedures of the Investment Adviser and its relationship with the Company and service providers and may impose restrictions on the investment activities that the Investment Adviser (and in turn the Company) may engage in, and may increase the ongoing costs borne, directly or indirectly, by the Company by virtue of the contractual arrangements agreed between the Company and the Investment Adviser or between the Company and the Custodian.

C. Risks relating to the Ordinary Shares and Shareholders

An active and liquid trading market in the Ordinary Shares may not be maintained

An active and liquid trading market in Ordinary Shares may not be maintained.

The Company cannot predict the effects on the price of the Ordinary Shares if a liquid and active trading market for the Ordinary Shares is not maintained. In addition, if such a market is not maintained, relatively small sales of Ordinary Shares may have a significant negative impact on the price of Ordinary Shares, whilst sales of a significant number of Ordinary Shares may be difficult to execute at a stable price close to or at the prevailing market price at that time.

The price of Ordinary Shares may fluctuate significantly and potential investors could lose all or part of their investment

The market price of Ordinary Shares may fluctuate significantly and potential investors may not be able to sell their Ordinary Shares at or above the price at which they purchased them. Factors that may cause the price of Ordinary Shares to vary include but are not limited to:

- changes in the Company's financial performance and prospects or in the financial performance and prospects of companies engaged in businesses that are similar to the Company's business;
- changes in the underlying values of the investments of the Company;
- the termination of the Investment Advisory Agreement, and the departure of some or all of the Investment Adviser's investment professionals;
- changes in laws or regulations, including tax laws, or new interpretations or applications of laws and regulations that are applicable to the Company;
- a rise in interest rates or rates of inflation, or an increase in the market's expectation of such rises;
- sales of Ordinary Shares by Shareholders;
- general economic trends and other external factors, including those resulting from war, incidents of terrorism or responses to such events;
- speculation in the press or investment community regarding the business or investments of the Company or factors or events that may directly or indirectly affect their respective investments;
- a reduction in the ability of the Company to access leverage or further equity finance; and
- further issues of Ordinary Shares.

Securities markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. Any broad market fluctuations may adversely affect the trading price of Ordinary Shares.

The Ordinary Shares may trade at a discount to Net Asset Value

The Ordinary Shares may trade at a discount to their Net Asset Value per share for a variety of reasons, including due to market conditions, liquidity concerns or the actual or expected performance of the Company. There can be no guarantee that attempts by the Company to

mitigate such a discount will be successful or that the use of discount control mechanisms will be possible or advisable.

Dividends

There can be no assurance as to the level and/or payment of future dividends by the Company in relation to Ordinary Shares (including those issued pursuant to the 2017 Placing Programme). The declaration, payment and amount of any future dividends by the Company are subject to the discretion of the Directors and will depend upon, among other things, the performance of the Company, the ability of the Company to make further investments, the Company's earnings, financial position, cash requirements and availability of profits, as well as the provisions of relevant laws or generally accepted accounting principles from time to time.

Local laws or regulations may mean that the status of the Company, or of the Ordinary Shares is uncertain or subject to change, which could adversely affect investors' ability to hold Ordinary Shares

For regulatory, tax and other purposes, the Company and/or the Ordinary Shares may be treated differently in different jurisdictions. For instance, in certain jurisdictions and for certain purposes, the Ordinary Shares may be treated as units in a collective investment scheme. Furthermore, in certain jurisdictions, the status of the Company and/or the Ordinary Shares may be uncertain or subject to change, or it may differ depending on the availability of certain information or as a result of disclosures made by the Company. Changes in the status or treatment of the Company and/or the Ordinary Shares may have unforeseen effects on the ability of investors to hold Ordinary Shares or the consequences to investors of doing so.

D. Risks relating to the Company's business

A valuation is an estimate of value and not a precise measure of realisable value

All investments made by the Company will be valued in accordance with the valuation methodology set out in paragraph 12 of Part 1 of this document. The resulting valuations will be used, among other things, for determining the basis on which various transactions in the shares of the Company take place, including issues of shares (including pursuant to the 2017 Placing Programme, details of which are set out in Part 4 of this document). Valuations of the investments of the Company reflect the Valuation Agent's view of expected cash flows, which are uncertain. Moreover, a valuation is only an estimate of value and is not a precise measure of realisable value. Therefore, transactions in the Company's shares may take place by reference to valuations of investments which do not reflect the realisable value of underlying assets.

Lack of diversification

Other than some holdings in cash, or cash equivalents, and hedging instruments, the Company invests exclusively in infrastructure investments and therefore bears the risk of investing in only one asset class. If returns from infrastructure investments are adversely affected by prevailing market conditions, the lack of diversification in the investment portfolio means that there will be no income from another class of assets to off-set any shortfall, which may have an adverse effect on the income received by the Company and the value of the Company's assets.

Failure by the Investment Adviser or other third-party service providers of the Company to carry out its or their obligations could materially disrupt the business of the Company

The Company has no employees and the Directors have all been appointed on a non-executive basis. The Company must therefore rely on the performance of third-party service providers to perform its executive functions. In particular, the Investment Adviser and the Administrator will perform services that are integral to the operations and financial performance of the Company. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment, or to perform its obligations to the Company at all, could have a materially adverse effect on the Company's performance and returns to Shareholders.

E. Risks relating to the Investment Adviser

The Investment Adviser is dependent upon the expertise of key personnel in providing investment advisory services to the Company

The ability of the Company to achieve its investment objective is significantly dependent upon the expertise of the Investment Adviser's partners and employees and the ability of the Investment

Adviser to attract and retain suitable staff. The impact of the departure, for any reason, of a key individual (or individuals) on the ability of the Investment Adviser to achieve the investment objective of the Company cannot be determined and may depend on, amongst other things, the ability of the Investment Adviser to recruit other individuals of similar experience and credibility. A failure by the Investment Adviser to recruit suitable individuals to replace any key individual who leaves the Investment Adviser may impact negatively on the performance of the Investment Adviser and, therefore, on the Company.

The Investment Adviser and its principals are involved in other businesses and investments which may create conflicts of interest

The Investment Adviser, in addition to advising upon the investments of the Company, currently serves, and may serve in the future, as the investment adviser to other investment funds and managed accounts. The Investment Adviser does not, therefore, devote its resources exclusively to the business of the Company. In addition, the Investment Adviser and its owners, members, officers and principals are presently, and will in the future continue to be, involved in other business ventures that have no relationship with the Company. Accordingly, the Investment Adviser and its owners, members, principals and officers may encounter potential conflicts of interest in connection with the Investment Adviser's role as investment adviser to the Company and their respective involvement in other business ventures. The Investment Adviser has undertaken to the Company, *inter alia*, to seek to ensure that any conflicts of interest are resolved fairly.

The Investment Adviser is dependent on information technology systems

The Company is dependent on the Investment Adviser for investment, operational and financial advisory services. The Investment Adviser, in turn, depends on information technology systems in order to assess investment opportunities, strategies and markets and to monitor and control risks for the Company.

It is possible that a failure of some kind which causes disruptions to these information technology systems could materially limit the Investment Adviser's ability to adequately assess and manage the investments of the Company, formulate strategies and provide adequate risk control. Any such information technology-related difficulty could harm the performance of the Company.

F. Risks associated with the Company's investments

Risks that may be relevant to any of the Company's investments

Sufficiency of due diligence

Whilst the Investment Adviser's due diligence process includes engaging lawyers, built asset consultants, independent valuers and financial model auditors to advise in connection with the Company's investments, this may not reveal all facts that may be relevant in connection with an investment and may not highlight issues that could affect the investments' performance, leading to a risk that the interest received on assets will be lower than envisaged and that the principal investments may not be repaid in full, or at all. These factors may adversely affect the income received by the Company and the value of the Company's assets.

No control

The Company does not normally have control over project decisions as it is typically not a shareholder. This may result in decisions being made in relation to the actions of the relevant Project Company which are not in the interests of the Company.

Errors in financial models

Infrastructure projects rely on large and detailed financial models. Assumptions are made in such models in relation to a range of matters, including inflation, lifecycle replacement costs, insurance premia, applicable rates of tax, availability of tax reliefs, insurance rates and deposit interest rates and actual events may differ from those matters assumed in the financial models. Errors in these or other assumptions or in the methodology used in such financial models may mean that the return on an investment in a Project Company is less than expected.

Delays in the receipt of anticipated cashflows

As noted above, infrastructure projects rely on large and detailed financial models. It is often the case that the release from a Project Company's bank account of cash due or expected to become due to the owners of or subordinated lenders to that Project Company is contingent upon the prior

satisfaction of the senior lender or lenders to that Project Company with the most recently-produced financial model relating to the historic and prospective performance of the Project Company. It is occasionally the case that such satisfaction is not achieved in the expected timeframe, in which case it may be that a payment due to a subordinated lender to the Project Company (or its owners or lenders) is delayed beyond the due date for such payment. In such an event, where the Company is a subordinated lender to the Project Company (or its owners or lenders), which is the case in relation to approximately 35 per cent. (by reference to the net asset value of the Company) of the Current Portfolio, the delay in the receipt of the expected cashflow may adversely affect the ability of the Company to make all or part of any expected distribution to Shareholders.

Incomplete transfer of operating risk

The financial models for Project Companies are typically based on the fact that many of the risks of operating the relevant concessions are substantially assumed by subcontractors. The Project Companies may be exposed to cost or liability where this does not happen, for example, as a result of limits of liability, default by or the insolvency of a contractor or defective contractual provisions. Where a Project Company is exposed to such a cost or liability, it may adversely affect the income received by the Company and the value of the Company's assets.

Subcontractor liability limits

Where Project Companies have entered into subcontracts (which is the case in relation to the Project Companies underlying the entire Current Portfolio), the subcontractors' liabilities to a Project Company for the risks they have assumed will often be subject to financial limits and it is possible that these limits may be exceeded in certain circumstances. Any loss or expense in excess of such a cap would be borne by the Project Company, unless covered by the Project Company's insurance. This may adversely affect the income received by the Company.

Returns on loans

The Company makes investments based on estimates or projections of net cash flows arising at Project Company level. There can be no assurance that the actual cash flows arising at Project Company level will equal or exceed those that are expected or that the Company will be able to deliver returns to Shareholders at the levels achieved to date.

Rates of inflation

The Company has made and expects to continue to make investments based on estimates or projections of future rates of inflation because the payments of unitary charge or similar or analogous payments, under the majority of project agreements the Company is exposed to, are linked to inflation. If actual inflation is lower than expected or there is deflation, the net cash flows arising at Project Company level are likely to be lower than anticipated, potentially adversely affecting the income received by the Company and the value of the Company's assets.

Rates of interest

Changes in interest rates may adversely affect the value or profitability of the assets of the Company. Changes in the general level of interest rates may impact the Company's profitability by affecting the spread between, amongst other things, the income on its assets and the expense of any interest-bearing liabilities. Moreover, changes in interest rates may also affect the valuation of the Company's assets. Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the control of the Company.

Insurance costs and availability

The Company makes investments based on estimates or projections of the cost to Project Companies of maintaining insurance cover for, amongst other things, buildings, contents and third party risks (for example arising from fire, flood or terrorism). Although generally not the most significant cost incurred by a Project Company, the cost of insurance to cover risks including those referred to above is a material cost. Where the cost of maintaining the insurance is greater than projected, it is possible that the ability of the Project Company to service its debts may be negatively impacted. Moreover certain risks may be uninsurable in the insurance market (such as in the event of the occurrence of force majeure events) or subject to an excess or exclusions of general events and in such cases the risks of such events may rest with the Project Company.

These factors may adversely affect the income received by the Company and the value of the Company's assets.

Environmental liabilities

To the extent that there are environmental liabilities arising in the future in relation to any sites owned or used by a Project Company (including, for example, clean-up and remediation liabilities), such Project Company may be required to contribute financially towards any such liabilities. This may adversely affect the income received by the Company and the value of the Company's assets.

Benchmarking

A project will often provide for the market-testing (sometimes referred to as benchmarking) of the costs of providing certain services in order that this can be taken into account in setting the level of payments to be made under the relevant project agreement. This may expose the Project Company to potential losses arising from changes in its costs relative to the charges that it is entitled to receive as a result of the benchmarking process. This would potentially impact upon the ability of the Project Company to service its debts, including any debt arrangement with the Company, thereby affecting the income received by the Company and the value of the Company's assets.

Lifecycle costs

A project will often provide for the replacement or refurbishment of certain items of equipment. The timing of such replacements or refurbishments is a key aspect of the cash flow forecasting assumed by the Company in assessing the ability of a Project Company to service its debts. Where such replacements or refurbishments occur earlier than projected, the free cash flow arising to the Project Company may be reduced, potentially impacting the ability of the Project Company to service its debt. This may adversely affect the income received by the Company and its ability to pay dividends, as well as the value of the Company's assets.

Market value of investments

The value of the investments made and intended to be made by the Company will change from time to time according to a variety of factors, including movements and expected movements in interest rates and inflation and general market pricing of similar investments. Such changes will impact the value of the Company's assets.

Liquidity of investments

Infrastructure investments of the type already made and likely to be made by the Company are not likely to be publicly-traded or freely marketable. Such investments may therefore be difficult to value or realise and therefore the market price that is achievable for the investments might be lower than the valuation of these assets as determined by the Valuation Agent.

Employment-related liabilities

It is sometimes the case that a Project Company has its own employees. If a Project Company has its own employees it may be exposed to potential employer liabilities (including in respect of pension entitlements) under applicable legislation and regulations, which could have adverse consequences for the Project Company. Such consequences may adversely affect the income received by the Company and the value of the Company's assets.

Counterparty default

The underlying obligors under project agreements targeted for investment by the Company will typically be public sector bodies or have a form of public sector backing. Consequently, the risk of counterparty default is generally considered to be low. Nevertheless, in the event of such a default, there may be significant difficulties for the Project Company in finding an alternative or replacement counterparty on the same or better terms, in which circumstances the value of the Company's assets could be adversely affected.

Borrower default

Although the Company will conduct a detailed assessment of the creditworthiness of all borrowers in respect of an infrastructure project in which the Company has invested, there remains a risk that such borrowers may default on their obligations to the Company. Such a default may adversely affect the income received by the Company and the value of the Company's assets.

Other counterparty risks

The Company may make investments from time to time in loan assets which are held on existing lenders' books, for example, where the Company guarantees the performance of a Project Company to an existing lender (typically a bank) in return for a fee. In such an event, the Company may be required to place a deposit to secure its guarantee with that lender and a default by such a lender may expose the Company to losses regardless of the performance of the underlying projects or loans, including the potential for the principal value of the investment to be lost.

The Company is also likely to maintain cash balances from time to time with its banks, being funds awaiting investment and funds reserved for short term working capital purposes, and may put in place interest rate hedging arrangements with its banks. A failure of any such bank, or any such bank otherwise defaulting on its obligations to the Company, may expose the Company to losses. This risk will be of particular significance when the Company has a significant amount of uninvested cash.

Default arising from cross-collateralisation

There may be circumstances in which the performance of one debt-related investment within the Company's portfolio may have an adverse effect upon other investments within the portfolio. This situation arises, for example, in instances where the Company has made a loan or series of loans in relation to a series of different projects but the loans are made to a single holding company owning each of the relevant Project Companies. In such instances, the income received by the Company and the value of the Company's assets may be adversely affected. The objective of the Company is to establish a diversified portfolio of senior and subordinated debt infrastructure assets and related and/or similar assets and to maintain its portfolio so that not more than 10 per cent. in value of the Company's total assets from time to time consists of securities or loans relating to any one individual infrastructure asset and having regard to the risks relating to any cross-default or cross-collateralisation provisions.

Reliance on sub-contractors appointed by Project Companies

The performance of Project Companies is, to a considerable degree, dependent on the performance of the sub-contractors appointed by such Project Companies, most notably the facilities management contractor. If a Project Company is required to replace a key sub-contractor (including a facilities manager) due to the insolvency of that sub-contractor or for any other reason, the replacement sub-contractor may charge a higher price for the relevant services than the Project Company paid previously. The resulting increase in the costs of the Project Company may adversely affect the ability of that Project Company to service its debt to the Company. This may adversely affect the value and financial performance of the Company's investment in that Project Company.

Demand risk

The Company does not generally make investments in Project Companies which are contracted to provide services on a "demand" basis, where the payments received by the Project Companies depend on the level of use made of the project assets. However, to the extent that it does so, there would be a risk that the level of use of the project assets, and therefore the ability of such Project Companies to service their debts, might be lower than expected. Any default by a Project Company may have an adverse effect upon the income received by the Company and the value of the Company's assets. The Company is not currently exposed to any demand risk but could make investments in demand-based projects in the future.

Construction risks

The Company may make loans to Project Companies which have not yet completed the construction phases of their concessions and which are not yet cash generative. Although it is intended that any such loans will be strictly limited as a proportion of the overall portfolio of the Company, should there be any delay in completion of the construction phase in relation to any such project or any "overrun" in the costs of construction, there is a risk that the anticipated returns of such a Project Company will be adversely affected and that, therefore, the ability of the Project Company to service its debts will be lower than expected. Any default by a Project Company may have an adverse effect upon the financial position of the Company. As at the Latest Practicable Date, 10 per cent. of the Company's loans were exposed to assets under construction.

Risks relating to new and developing technologies

Some of the projects that the Company invests in utilise relatively new or developing technologies. There may be issues in relation to those technologies that become apparent only in the future. Such issues may give rise to additional costs for the relevant Project Companies or may otherwise result in the financial performance of the relevant Project Companies being poorer than is anticipated. This may adversely affect the value of and returns generated by the Company's investments in such Project Companies.

Acquisition risks

The Company may make loans to companies that are acquiring Project Companies as part of their acquisition finance arrangements. In such circumstances the vendor will typically provide various warranties for the benefit of the acquirer and its funders in relation to the acquisition. Such warranties will be limited in extent and are typically subject to disclosure, time limitations, materiality thresholds and liability caps and to the extent that any loss suffered by the acquirer arises outside the warranties or such limitations or exceeds such caps it will be borne by the acquirer, which may adversely affect the value of the Company's assets and therefore the Net Asset Value of the Company. This situation arises in relation to two investments of the Company as at the Latest Practicable Date, representing approximately 0.3 per cent. (by reference to Net Asset Value) of the Current Portfolio.

Covenant breach risk

The covenants provided by a Project Company in favour of its senior lenders are generally extensive and a breach of one or more of such covenants may result in payments to a subordinated lender such as the Company being suspended, and any amounts paid to the Company following any such breach may be repayable. Although the Company's investment portfolio has not, as at the date of this document and as far as the Directors and the Investment Adviser are aware, been exposed to any covenant breach by a Project Company, where such a breach or any other event leads to an event of default, the senior lenders will normally have the right to take control of the Project Company and ultimately to sell such Project Company. In such event, it is likely that the sale proceeds will be insufficient to repay in full the subordinated debt of the Project Company, which would result in a loss being suffered by the Company.

Specific risks relating to the Company's investments in the PFI sector

Termination of PFI project agreements

Project agreements for PFI infrastructure projects may be terminated in certain circumstances, as a result of, for example, default by a Project Company or the commission of a corrupt or fraudulent act by a Project Company, shareholder or contractor in relation to a project agreement. The compensation that a Project Company may receive on termination will depend on the reason for termination but in some circumstances (such as termination for force majeure events) the compensation received may be insufficient to repay in full the debts of the Project Company which may, in turn, negatively impact upon the financial position and performance of the Company, in that the principal value of the Company's investment could be reduced or become worthless.

Change in infrastructure funding policy

PFI is not the only means of funding infrastructure projects and the use of such funding mechanisms in the future may decrease. If there is such a change in policy, there is a risk that public bodies may seek to terminate existing PFI-type projects and, as a result, the Company may not recover the full market value of its investments. Any failure by the Company to recover the full market value of its investments may result in a reduction in the value of the Company's assets. Additionally, any changes in policy could reduce the future availability of appropriate assets.

Untested nature of long term PFI operational environment

Given the long term nature of PFI infrastructure projects there is, as yet, limited experience of the long term operational problems that may be experienced in the future and which may affect PFI infrastructure projects and Project Companies. Any such problems may, in turn, adversely affect the Company's investment returns.

Specific risks relating to the Company's investments in the renewable energy sector

The UK Government provides a range of incentives and subsidies for specific types of renewable energy projects, including "feed-in" tariffs, contracts for difference, the renewable heat incentive

(where energy producers are guaranteed a minimum price for their output, typically above market rates) and the ROC system (which requires electricity suppliers to supply minimum levels of renewable-source electricity or make buy-out payments into a central fund). Recent and future changes in the application of government policy in relation to these incentives and subsidies may have a material impact upon the profitability of renewable energy projects. Any change or incorrect assumption in relation to the interest or other receipts receivable by the Company, including assumptions in relation to projected power prices and levels of UK Government subsidies, may reduce the level of distributions received by Shareholders. Further, the generation of power from renewable energy sources tends to be reliant upon relatively recent technological developments (or the application thereof), and therefore unforeseen technical deficiencies with installations may occur; and although such deficiencies may be covered by supplier warranties, the value of such warranties (if any) may be adversely affected by (for example) time limitations on such warranties or credit events in relation to the relevant supplier. Additionally, technological advances in the future may reduce the competitive efficiency of installations commissioned now. Moreover, the reliance of any renewable energy project or group of projects on a variable resource as its feedstock (for example, ambient light in the case of solar power projects, wind speed in the case of wind power projects and waste in the case of waste-to-energy projects) may affect the profitability of a site or sites. Finally, in the event of a failure of a utility or other private company contracted to purchase power produced by an installation in which the Company has invested, difficulties may arise in contracting with a replacement power purchaser. All of these risks relating to investments in renewable energy projects could have an adverse effect upon the income received by the Company and the value of the Company's assets.

Specific risks relating to the Company's investments secured against receivables purchase agreements

Investments by the Company secured against receivables purchase agreements will be subject to the general risks incidental to loans secured against receivables purchase agreements, including changes in general economic or local conditions, changes in interest rates and (where such receivables relate to real estate-related assets, which will typically be the case) changes in property tax rates and planning laws, the credit risks of developers and tenants, the costs of construction, the potential impact of environmental risks, terrorist activities and the availability and sufficiency of insurance. All of these risks relating to investments secured against receivables purchase agreements may have an adverse effect upon the income received by the Company and the value of the Company's assets.

Specific risks relating to the Company's investments secured against lease agreements

Investments by the Company secured against lease agreements will be subject to the general risks incidental to loans secured against lease agreements, including changes in general economic or local conditions, changes in interest rates and (where such lease agreements relate to real estate-related assets, which will typically be the case) changes in property tax rates and planning laws, the credit risks of developers and tenants, the costs of construction, the potential impact of environmental risks, terrorist activities and the availability and sufficiency of insurance. All of these risks relating to investments secured against lease agreements may have an adverse effect upon the income received by the Company and the value of the Company's assets.

G. Risks relating to taxation

The Company is exposed to changes in tax residence and changes in the tax treatment of arrangements relating to its business or investments

If the Company were treated as resident, or as having a permanent establishment, or as otherwise being engaged in a trade or business, in any country in which it invests or in which the investments are managed, all of its income or gains, or the part of such gain or income that is attributable to, or effectively connected with, such permanent establishment or trade or business, may be subject to tax in that country, which could have a material adverse effect on the performance of the Company and returns to Shareholders.

The Directors intend to conduct the affairs of the Company in such a way so as to maintain its non-UK tax resident status. The Company must similarly ensure that it does not become tax resident in the United States or in other jurisdictions.

Base erosion and profit shifting

Base erosion and profit shifting (“**BEPS**”) refers to the tax planning strategies of multinational corporations that exploit mismatches in national tax rules to artificially shift profits to low or no-tax locations, resulting in little or no overall corporate tax being paid. The Organisation for Economic Co-operation and Development (“**OECD**”) and the G20 countries have sought to implement a number of measures to address BEPS over the last few years. This includes measures aimed at preventing treaty abuse, preventing the artificial avoidance of permanent establishment basis, strengthening controlled foreign company rules and neutralising the effects of hybrid mismatch arrangements. In addition, a number of changes to the interest deductibility rules have been proposed.

Implementation of the OECD’s BEPS measures, in final form, will be at the discretion of individual countries. The UK Government has published draft legislation for the Finance Bill 2017 which will introduce a restriction on the deductibility of UK interest expense to the lower of 30 per cent. of UK taxable profits and a proportion of UK taxable profits determined by applying a group ratio based on the net group-interest expense to EBITDA ratio of the worldwide group, subject to a minimum net interest expense of £2 million per year.

Based on the draft legislation published, it is expected that neither the Company nor any Project Company will be subject to interest restrictions under the new rules.

However, the draft legislation is subject to change and it is possible that the Finance Bill 2017 could be further amended before it is enacted. If there is a significant change in the draft legislation, or a change to the Company’s status, it is possible that the Company could become subject to interest restrictions, in which case there could be an increased UK corporation tax liability for the Company.

Foreign Account Tax Compliance Act

The Company will be required to comply with The Foreign Account Tax Compliance Act (“**FATCA**”) which was introduced by the US Treasury and aims to prevent perceived tax evasion by US citizens and residents through the use of offshore accounts. On the basis the Company is registered as a Financial Institution (“**FI**”) for FATCA it will be required to comply with a number of obligations, including reporting on accounts (which include Depository Accounts, Custodial Accounts and Debt and Equity interests in an Investment Entity) held by Specified Persons to the Internal Revenue Service (“**IRS**”). Failure to comply with the FATCA rules can in certain circumstances result in the imposition of a 30% withholding tax (“**FATCA Withholding**”) on certain US source payments made to the institution and its account holders.

Numerous jurisdictions have entered Intergovernmental Agreements (“**IGAs**”) with the US, including Jersey, which agree to enforce compliance with the FATCA requirements through the implementation of local legislation (“**US FATCA**”). Though withholding may still be a concern outside an IGA jurisdiction, the IGAs broadly remove the withholding requirements for FIs within these jurisdictions. Furthermore, the UK has now entered IGAs with its Crown Dependencies and Gibraltar and requires Jersey FIs to identify tax residents of the UK in addition to US Persons (“**UK FATCA**”). Failure to comply with FATCA rules in an IGA country may result in the imposition of penalties under local legislation. The Jersey regulations implementing the UK/US intergovernmental agreement became law in December 2013.

Prospective Shareholders should be aware that they will be required to comply with FATCA and UK FATCA and that the Company will comply with the requirements imposed by FATCA and UK FATCA. All prospective Shareholders must agree to provide the Company at the time or times prescribed by applicable law and at such times reasonably requested by the Company such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under FATCA and UK FATCA.

Prospective shareholders should consult their tax advisers with regard to the potential FATCA and UK FATCA tax reporting and certification requirements associated with an investment in the Company.

The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the US Jersey IGA is subject to review by the United States and Jersey and the rules may change.

The introduction of the Common Reporting Standard (see below) will supersede the UK-Jersey IGA but the UK has indicated that it does not wish to forego information for 2016 to be reported in 2017 under the UK-Jersey IGA which under the Common Reporting Standard would not need to be provided until 2018. In agreeing to the changeover the Jersey authorities have agreed that for 2016 the Common Reporting Standard requirements should be supplemented by the provision of information on pre-existing individual low value accounts and pre-existing entity accounts in respect of UK residents only. This means that the UK can receive information in 2017 without requiring Jersey financial institutions to make separate returns under both the UK-Jersey IGA and the Common Reporting Standard.

Common Reporting Standard

The OECD has developed a new global standard for the automatic exchange of financial information between tax authorities (the “**Common Reporting Standard**” or “**CRS**”). The CRS has been implemented in the EU by way of the Revised Directive on Administrative Co-Operation (Council Directive 2014/107/EU). Jersey is a signatory to the CRS and intends to conduct its first exchange of information with tax authorities of other signatory jurisdictions in September 2017. Jersey legislation which implements the CRS in Jersey came into effect on 1 January 2016 (the “**Jersey CRS Legislation**”).

In summary, the Jersey CRS Legislation requires “reporting financial institutions” in Jersey to identify, review and report on “financial accounts” maintained by them and which are held by residents for tax purposes (whether individuals or entities) of jurisdictions with which Jersey has agreed to exchange information.

Reports will be made to the Jersey Comptroller of Taxes and then passed to the competent authority of the jurisdiction in which the account holder is resident. Although the Company will attempt to satisfy any obligations imposed on it by the CRS, no assurance can be given that it will be able to satisfy such obligations. Implementation of the CRS may require the Company to conduct additional due diligence and report upon accounts held with it by Shareholders who are reportable persons in other participating jurisdictions. The Company may require certain additional financial information from Shareholders to comply with its diligence and reporting obligations under the CRS and Shareholders should consult their tax advisers with regard to the potential impact of CRS to their personal circumstances.

Failure by the Company to comply with the obligations under the CRS may result in fines being imposed on the Company and in such event, the target returns of the Company may be materially affected.

The scope and application of the obligations under the CRS may be reviewed by the OECD and the information and reporting requirements may change.

Offshore Funds Rules

The Directors consider that the Company should not constitute an “offshore fund” for the purposes of Part 8 of TIOPA, as the Company is closed-ended with an unlimited life. In addition, it is not intended that arrangements will be operated in respect of the Company so that investors can expect to realise their investment at or close to NAV other than in the event of a winding-up of the Company.

However, the Directors will use reasonable endeavours (but without liability) to monitor the Company’s status in this regard. Changes in the Company’s tax status or tax treatment may adversely affect the Company and if the Company becomes subject to the UK offshore funds rules in Part 8 of TIOPA, there may be adverse tax consequences for UK tax resident Shareholders.

IMPORTANT INFORMATION

In assessing an investment in the Company, investors should rely only on the information in this document. No person has been authorised to give any information or make any representation in relation to the Company other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been authorised by the Company, the Directors, the Investment Adviser, the Sponsor or any other person. Neither the delivery of this document nor any subscription for or purchase of New Ordinary Shares shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this document.

General regulatory information

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or to buy, shares in any jurisdiction in which such offer or solicitation is unlawful. Issue or circulation of this document may be prohibited in some countries.

The Company is regulated as a certified fund in Jersey pursuant to the CIF Law and the Jersey Listed Fund Guide published by the JFSC. This document is prepared, and a copy of it has been sent to the JFSC, in accordance with the Collective Investment Funds (Certified Funds – Prospectuses) (Jersey) Order 2012. The JFSC is protected by the CIF Law against liability arising from the discharge of its functions under the CIF Law. The Administrator, Custodian and Registrar are each registered to conduct the relevant classes of fund services business under the Financial Services (Jersey) Law 1998, as amended (the “FSJL”). The JFSC is also protected by the FSJL against liability arising from the discharge of its functions under that law.

Following the introduction of new prospectus content legislation in 2012, it is a requirement under Jersey law that the following prescribed information be included in any prospectus published by a Jersey regulated fund:

- The Company and its Directors have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement in this document, whether of fact or opinion. The Company and its Directors accept responsibility accordingly.
- The JFSC does not take any responsibility for the financial soundness of the Company or for the correctness of any statements made or expressed in this document.
- If you are in any doubt about the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or financial adviser.
- It should be remembered that the price of shares and the income from them can go down as well as up and that shareholders may not receive, on sale or the cancellation of their shares, the amount that they invested.
- Potential shareholders are strongly recommended to read and consider this document before becoming a shareholder in the Company.

Any changes to this document that would be contrary to the terms of the JFSC’s Listed Fund Guide (as may be amended from time to time) or contrary to any of the JFSC’s published policies applicable to the Company will require the consent of the JFSC.

The Company has been established in Jersey as a listed fund under a fast-track authorisation process. It is suitable therefore only for professional or experienced investors, or those who have taken appropriate professional advice.

Regulatory requirements which may be deemed necessary for the protection of retail or inexperienced investors do not apply to listed funds. By investing in the Company, you will be deemed to be acknowledging that you are a professional or experienced investor, or have taken appropriate professional advice, and accept the reduced requirements accordingly.

You are wholly responsible for ensuring that all aspects of the Company are acceptable to you. Investment in listed funds may involve special risks that could lead to a loss of all or a substantial portion of such investment. Unless you fully understand and accept the nature of the Company and the potential risks inherent in this Company you should not invest in the Company. Your attention is drawn to the Risk Factors on pages 13 to 24.

Further information in relation to the regulatory treatment of listed funds domiciled in Jersey may be found on the website of the Jersey Financial Services Commission at www.jerseyfsc.org.

The Jersey regulatory requirements referred to above are not a reference to any requirements of the FCA or the Listing Rules.

OVERSEAS INVESTORS

For the attention of prospective investors in the European Economic Area

In relation to each Relevant Member State, no New Ordinary Shares have been offered or will be offered pursuant to the 2017 Placing Programme to the public in that Relevant Member State prior to the publication of a document in relation to the New Ordinary Shares which has been approved by the competent authority in that Relevant Member State, or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that offers of New Ordinary Shares to the public may be made at any time under the following exemptions under the Prospectus Directive if they are implemented in that Relevant Member State:

- to any legal entity which is a “qualified investor” as defined in the Prospectus Directive;
- to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive in such Relevant Member State; or
- in any other circumstances, falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of New Ordinary Shares shall result in a requirement for the publication of a document pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State and each person who initially acquires any New Ordinary Shares will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of New Ordinary Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any New Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the New Ordinary Shares, as the same may be varied in that Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and the amendments thereto including Directive 2010/73/EU) (the “**2010 PD Amending Directive**”), to the extent implemented in the Relevant Member State and includes any relevant implementing measure in each Relevant Member State.

For the attention of prospective investors in Guernsey

To the extent to which any promotion of the New Ordinary Shares is deemed to take place in the Bailiwick of Guernsey, the New Ordinary Shares are only being promoted in or from within the Bailiwick of Guernsey either: (i) by persons licensed to do so under the Protection of the Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the “**POI Law**”); or (ii) to persons licensed under the POI Law, the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended) or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (as amended). Promotion is not being made in any other way.

For the attention of prospective investors in the Isle of Man

The 2017 Placing Programme is available, and is and may be made, in the Isle of Man and this Prospectus is being provided in the Isle of Man only to persons: (a) licensed under the Isle of Man Financial Services Act 2008; or (b) falling within exclusion 2(r) of the Isle of Man Regulated Activities Order 2011 (as amended); or (c) whose ordinary business activities involve them in acquiring, holding, managing or disposing of shares or debentures (as principal or agent), for the purposes of their business.

The 2017 Placing Programme referred to in the Prospectus and the Prospectus are not available in the Isle of Man other than in accordance with the paragraph above and must not be relied upon by any person unless made or received in accordance with such paragraph.

For the attention of prospective investors in Ireland

The New Ordinary Shares have not been and will not be registered in Ireland or passported for inward marketing to professional investors (as defined in Annex II of Directive 2004/39/EC) under the European Communities (Alternative Investment Fund Manager) Regulations 2013 (“**AIFM Regulations**”) or any applicable regulations or guidance issued thereunder by the Central Bank of Ireland. The New Ordinary Shares may only be offered to professional investors on a private placement basis pursuant to a notification made to the Central Bank of Ireland in accordance with the AIFM Regulations.

For the attention of prospective investors in Switzerland

The Company has not been authorised by the Swiss Financial Market Supervisory Authority (“**FINMA**”) for public offering in or from Switzerland pursuant to Article 120 of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, as amended (“**CISA**”). Also, the Company has not appointed a paying agent or representative in Switzerland and therefore may not be distributed in Switzerland (as defined by Art. 3 para. 1 CISA). Accordingly, in Switzerland the New Ordinary Shares may not be offered, distributed or sold, and neither this document nor any other materials relating to the Company may be made available, in or from Switzerland to any investors except prudentially regulated financial institutions pursuant to Article 10 para. 3 lit. a and b CISA; in addition, the New Ordinary Shares may be sold under the reverse solicitation exemption pursuant to Article 3 para. 2 lit. a CISA. This document and any other offering material relating to the New Ordinary Shares should not be passed on to any other person and may only be handed out within these restrictions. Investors in the New Ordinary Shares do not benefit from the specific investor protection provided by CISA and the supervision by the FINMA. The New Ordinary Shares are not publicly offered within the meaning of article 652a or 1156 of the Swiss Code of Obligations. As a consequence, the document is not a prospectus within the meaning of these provisions and may therefore not comply with the information standards required thereunder. This document is not a listing prospectus according to article 27 et seq. of the Listing Rules of SIX Swiss Exchange and may therefore not comply with the information standards required thereunder or under the listing rules of any other Swiss stock exchange.

Investment considerations

The contents of this document are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Prospective investors should inform themselves as to:

- the legal requirements within their own countries for the subscription for, purchase, holding, transfer or other disposal of New Ordinary Shares;
- any foreign exchange restrictions applicable to the subscription for, purchase, holding, transfer or other disposal of New Ordinary Shares which they might encounter;
- the income and other tax consequences which may apply in their own countries as a result of the subscription for, purchase, holding, transfer or other disposal of New Ordinary Shares; and
- prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

Typical investors in the Company are expected to be institutional and sophisticated investors and private clients.

This document should be read in its entirety before making any investment in New Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Memorandum and Articles of Association of the Company, which investors should review.

Historical information

This document contains certain historical financial and other information concerning the Company's past performance. However, past performance of the Company should not be taken as an indication of future performance.

Forward-looking statements

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Company’s actual results to differ materially from those indicated in these statements. These factors include, but are not limited to, those described in the part of this document entitled “Risk Factors”, which should be read in conjunction with the other cautionary statements that are included in this document. Any forward-looking statements in this document reflect the Company’s current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company’s operations, results of operations and growth strategy. For the avoidance of doubt, nothing in this paragraph qualifies the working capital statement set out in paragraph 8 of Part 6 of this document.

These forward-looking statements apply only as of the date of this document. Subject to any obligations under the Prospectus Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules and MAR, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. Prospective investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision.

Presentation of information

Market, economic and industry data

Market, economic and industry data used throughout this document is derived from various industry and other independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Currency presentation

Unless otherwise indicated, all references in this document to “sterling”, “pounds sterling”, “£”, “pence” or “p” are to the lawful currency of the UK.

Definitions

A list of defined terms used in this document is set out at pages 86 to 89.

Governing law

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales or Jersey (as appropriate) and are subject to changes therein.

DIRECTORS, AGENTS AND ADVISERS

Directors (all non-executive)	Ian Reeves CBE (Chairman) David Pirouet Clive Spears Paul de Gruchy Julia Chapman Michael Gray
Administrator, secretary and registered office of the Company	Capita Financial Administrators (Jersey) Limited 12 Castle Street St Helier Jersey JE2 3RT
Registrar	Capita Registrars (Jersey) Limited 12 Castle Street St. Helier Jersey JE2 3RT
Investment Adviser and AIFM	Gravis Capital Partners LLP 53/54 Grosvenor Street London W1K 3HU
Sponsor and Bookrunner	Stifel Nicolaus Europe Limited 4th Floor, 150 Cheapside London EC2V 6ET
Legal Advisers to the Company as to English law	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH
Legal Advisers to the Company as to Jersey law	Carey Olsen 47 Esplanade St Helier Jersey JE1 0BD
Legal Advisers to the Sponsor and Bookrunner	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
Reporting Accountants	PricewaterhouseCoopers CI LLP Royal Bank Place 1 Glatigny Esplanade St Peter Port Guernsey GY1 4ND
Auditors	KPMG Channel Islands Jersey Limited 37 Esplanade St Helier Jersey JE4 8WQ
UK Transfer Agent	Capita Registrars Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

Operational Bankers

The Royal Bank of Scotland International Limited
Royal Bank House
71 Bath Street
St. Helier
Jersey
JE4 8PJ

Valuation Agent

Mazars LLP
Tower Bridge House
St. Katherine's Way
London
E1W 1DD

Custodian and Depositary

Capita Trust Company (Jersey) Limited
12 Castle Street
St. Helier
Jersey
JE2 3RT

TIMETABLE

All references to times in this document are to London times unless otherwise stated.

The 2017 Placing Programme

Placing Programme opens	28 March 2017
Earliest date for New Ordinary Shares to be issued pursuant to the 2017 Placing Programme	28 March 2017
Publication of Issue Price in respect of each Placing	At the time of each Placing
Admission and crediting of CREST accounts in respect of each Placing	8.00 a.m. on each day New Ordinary Shares are issued
Dispatch of definitive share certificates (where applicable)	Approximately 14 days following Admission
Last date for New Ordinary Shares to be issued pursuant to the 2017 Placing Programme	27 March 2018

The dates and times specified above are subject to change.

PLACING PROGRAMME STATISTICS

The 2017 Placing Programme

Maximum number of New Ordinary Shares being made available under the 2017 Placing Programme	215 million
Minimum Issue Price	NAV per Ordinary Share (cum-income) plus a premium expected to cover the costs and expenses of the Placing
ISIN of the Ordinary Shares and the New Ordinary Shares	JE00B6173J15

PART 1

THE COMPANY

1 Introduction

The Company is a closed-ended investment company incorporated in Jersey. It was admitted to the Official List and to trading on the main market of the London Stock Exchange in July 2010 and since then it has grown to a market capitalisation of £959.74 million as at 24 March 2017, being the latest practicable date prior to publication of this document. The Company remains the only UK-listed infrastructure fund focussed primarily on investment in UK infrastructure debt. The Company makes infrastructure investments, typically by acquiring interests in debt instruments issued by infrastructure Project Companies (or by their existing lenders or holding vehicles) that are contracted by UK public sector bodies to design, finance, build and operate infrastructure projects and by investing in other assets with a similar economic effect to such instruments. Such projects are often structured and financed under the UK private finance initiative.

As at the Latest Practicable Date, the Company was exposed to a diversified portfolio of partially inflation protected investments comprising 45 loans with a value (unaudited) of £762.7 million. The unaudited NAV per Ordinary Share as at 30 December 2016 was 110.80 pence. Since the IPO, the Ordinary Shares have traded at an average premium to their NAV of 9.6 per cent. and a premium of 18.1 per cent. as at the Latest Practicable Date.

The Company's investment adviser is Gravis Capital Partners LLP. As at 31 December 2016, the Investment Adviser had total assets under management of approximately £1.6 billion, including three closed-ended investment companies admitted to the Premium Listing segment of the Official List and traded on the London Stock Exchange's main market for listed securities: the Company, GCP Student Living and GCP Asset Backed Income, and which, as at the Latest Practicable Date, all traded at a premium to their respective net asset values.

The Company is a certified fund in Jersey pursuant to the CIF Law and the Jersey Listed Fund Guide.

2 Overview of the 2017 Placing Programme

As noted in the Chairman's statement to the Report and Accounts for the year ended 30 September 2016, the Company remains well positioned to achieve attractive returns, having maintained a high level of dividend distributions and is enjoying a robust share performance.

Further, the Company, through its Investment Adviser, continues to see substantial investment opportunities in the infrastructure debt markets and wishes to continue to be in a position to take advantage of these opportunities when they arise.

To provide the Company with the operational flexibility to take advantage of such investment opportunities, and in light of the ongoing demand for the Company's Ordinary Shares in the secondary market, the Company announced on 10 February 2017 that it had obtained shareholder authority to issue and allot up to 215 million New Ordinary Shares on a non-pre-emptive basis by way of a series of placings and/or open offers and/or offers for subscription, at the discretion of the Directors.

The Company will invest the net proceeds of the 2017 Placing Programme in accordance with its investment objectives and policy. Details of the Company's investment objectives and policy are set out in paragraph 3 below.

3 Investment objectives and policy of the Company

The Company's investment objectives are to:

- provide its Shareholders with regular, sustained, long-term distributions; and
- preserve the capital value of its investment assets over the long term,

by generating exposure to infrastructure debt and related and/or similar assets.

The Company makes investments in senior and subordinated debt instruments issued by infrastructure Project Companies, their owners or their lenders, and assets with a similar economic effect.

The Directors will exercise any voting rights in relation to any of the Company's underlying assets.

Structural gearing is permitted up to a maximum of 20 per cent. of the Net Asset Value immediately following draw down.

No material change will be made to the Company's investment objectives and investment policy without the approval of Shareholders by ordinary resolution.

4 Investment strategy

The Company focuses primarily on taking debt exposure (on a senior or subordinated basis) to projects which have:

- pre-determined, very long term, public sector-backed revenues;
- no construction or property risks; and
- contracts which are "availability" based (i.e. the payments under the contracts do not depend on the level of use of the project assets).

It is intended that the Company will invest directly or indirectly in projects which meet these criteria and that such investments will make up a minimum of 75 per cent. of the Company's total assets.

It should be noted that (in the context of the strategy referred to above):

- (a) the Company views as "public sector-backed" all revenues arising from UK central government or local authorities, or from entities themselves substantially funded by UK central government or local authorities, and includes obligations of NHS Trusts, UK registered social landlords and universities in this classification;
- (b) where the Company provides a senior debt guarantee in relation to a portfolio of loans (or enters into a similar arrangement), the exposure of the Company to projects that are not within its primary focus ("**Outside Scope Projects**") shall be deemed to be:

$$\frac{A}{B} \times C$$

Where:

A is the principal amount of the loans within the portfolio advanced in relation to Outside Scope Projects;

B is the principal amount of the guaranteed loan portfolio as a whole; and

C is the total amount guaranteed by the Company.

In any analogous situation, the same principle will be applied; and

- (c) the Company will view as fulfilling the investment strategy any completed project which is either an installation accredited by the Gas and Electricity Markets Authority under The Feed-in Tariffs (Specified Maximum Capacity and Functions) Order 2010 (as may be amended or supplemented from time to time), or a recipient of revenues arising from other government-sponsored or administered initiatives for encouraging the usage of renewable or clean energy in the UK.

The Company may also consider, in respect of up to an absolute maximum of 25 per cent. of the Company's total assets (at the time the relevant investment is made), taking exposure to Outside Scope Projects, which will include, for example, projects involving:

- (a) Project Companies which have not yet completed the construction phases of their concessions;
- (b) Project Companies in the regulated utilities sector; and
- (c) Project Companies with "demand" based concessions (i.e. where the payments received depend on the level of use of the project assets) or which have private sector-sponsored concessions, to the extent that the Investment Adviser considers that there is a reasonable level of certainty in relation to:
 - (i) the likely level of demand; and
 - (ii) the stability of the resulting revenue.

There is no, and it is not anticipated that there will be any, outright property exposure of the Company (except potentially as additional security).

In compliance with the Listing Rules, not more than 10 per cent., in aggregate, of the value of the gross assets of the Company (at the time of the investment) may be invested in other UK listed investment companies, except that this restriction does not apply to investments in such entities which themselves have stated investment policies to invest no more than 15 per cent. of their gross assets in other listed investment companies. Regardless of the above restriction, not more than 15 per cent., in aggregate, of the Company's gross assets will be invested in listed investment companies.

5 Diversification

The objective of the Company is to establish a diversified portfolio of senior and subordinated debt infrastructure assets and related and/or similar assets and to maintain its portfolio so that not more than 10 per cent. in value of the Company's total assets from time to time consists of securities or loans relating to any one individual infrastructure asset (having regard, in determining compliance with this restriction, to the risks relating to any cross-default or cross-collateralisation provisions). This objective is subject to the Company having a sufficient level of investment capital from time to time and the ability of the Company to invest its cash in suitable investments and is subject to the investment restrictions described in paragraph 4 above.

Similarly, it is the intention of the Directors that the assets of the Company are (as far as is reasonable in the context of a UK infrastructure portfolio) appropriately diversified by asset type (e.g. PFI healthcare, PFI education, solar power, biomass, etc.) and by revenue source (e.g. NHS Trusts, local authorities, FIT, ROCs, etc.).

The Company may seek to raise additional capital from time to time to the extent that the Directors and the Investment Adviser believe the Company will be able to make suitable investments. This will enable the Company to achieve greater diversification of risk and to benefit from economies of scale in relation to the operational costs of the Company.

6 Distribution policy

The Company seeks to provide Shareholders with regular, sustained, long-term distributions. The Company pays dividends on a quarterly basis with dividends declared in January, April, July and October and typically paid in February, May, August and November in each financial year.

In respect of the financial year ended 30 September 2016, the Company paid dividends totalling 7.60 pence per Ordinary Share.

The Company has previously offered a scrip dividend alternative to Shareholders and anticipates that it will continue to do so.

The Company intends to comply with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011 as if it were a UK investment trust for the purposes of distributions and accordingly will not retain more than 15 per cent. of its income in respect of an accounting period.

Shareholders should note that the payment of dividends by the Company is reliant on the achievement by the Company of its investment objectives and on the Company's ability to invest successfully any further funds that it raises.

7 Competitive advantages

The Directors and the Investment Adviser believe that an investment in the Company offers the following benefits and advantages:

- *attractive and demonstrable dividend return characteristics*: since IPO, the Company has delivered regular, sustained dividend distributions;
- *specialist focus*: the Company is the only UK listed investment company focussed on investments in UK infrastructure debt;
- *long-term, public sector backed income*: the Company focuses primarily on taking debt exposure to projects which have long-term, public sector-backed revenues offering predictable revenue streams;
- *UK focus*: the Company focusses on UK based infrastructure debt investments mitigating the risk of adverse movements in currency exchange rates;

- *access to investment opportunities*: the Investment Adviser continues to see substantial investment opportunities in the infrastructure debt markets through established industry contacts and extensive knowledge of the sector;
- *extensive expertise*: the Investment Adviser and its senior management team have extensive specialist expertise and a demonstrable track record of originating, structuring and managing infrastructure debt investments since its formation; and
- *competitive fees*: the Company benefits from low annual investment advisory charges when compared with other UK listed infrastructure funds and the Company has low annual management charges when compared with other listed infrastructure companies.

8 Investment process

Asset origination and investment decisions are made by the investment committee on the advice of the Investment Adviser. Details of the investment process are set out below.

8.1 Asset origination

The partners of the Investment Adviser have significant experience of working within the UK infrastructure market, particularly with regard to debt advisory work, and have established close relationships with many of the key participants in the UK infrastructure market, including equity investors and lenders. The Investment Adviser is therefore well placed to identify potential investment opportunities for the Company, as is evidenced by the portfolio of investments that have been made to date as described in Part 3 of this document.

8.2 Preliminary review

The Company has a selective approach to investing in infrastructure Project Companies, and focuses primarily on identifying investment opportunities with the following target characteristics:

- *availability-based* – there is limited demand risk;
- *inflation linkage* – there is sufficient inflation linkage in the underlying cash flows to enable the Investment Adviser to structure loan assets with a degree of inflation protection;
- *competent and financially stable facilities manager* – the facilities manager to which the operation of the asset is sub-contracted has a proven track record and robust financial position;
- *good operational history* – the underlying projects have a good operational history with minimal cash flow interruptions;
- *project simplicity* – the infrastructure asset is relatively simple in terms of construction, operation, maintenance and technology;
- *good credit quality* – the underlying obligor has an excellent credit profile;
- *sufficient equity* – there is sufficient equity in the project to allow, in the view of the Investment Adviser, additional leverage without undue risk; and
- *fit within existing portfolio* – the investment adds balance and diversification to the existing portfolio of the Company with regards to credit risk, asset sector, investment term and income return.

8.3 Investment offer and heads of terms

The Investment Adviser will agree heads of terms in relation to any potential investment. The Investment Adviser will keep the Directors informed during this process. Typically, the Investment Adviser will deliver a preliminary review of each potential investment at least one month prior to the date on which a Board decision is required.

8.4 Due diligence procedures

The Investment Adviser will evaluate all project risks it believes are material to making an investment decision and will assess how those risks are mitigated. Where appropriate, it will complement its analysis through the use of professional third party advisers, including technical built asset consultants, financial and legal advisers and valuation and insurance

experts. These advisers will be engaged to conduct due diligence that is intended to provide an additional and independent review of key aspects and risks of a project, providing comfort as to the level of risk mitigation and the project's ongoing performance.

8.5 Investment approval

The Investment Adviser presents any investment proposals to the investment committee of the Board for review and, if appropriate, approval.

Details of the investment committee are set out in paragraph 2.2 of Part 2 of this document.

8.6 Investment monitoring

Information flows to the Investment Adviser and the Company will vary depending on the investment. Generally, the Investment Adviser will receive a project-by-project technical adviser's report semi-annually or annually. In addition, in certain circumstances, such as in the event of a revenue shortfall or an unremedied event of default in a loan agreement, project agreement or operating sub-contract, further information will be sought and (if relevant) a site visit arranged.

9 Cash management

Cash awaiting investment is held on behalf of the Company in interest-bearing bank accounts (at banks carrying a minimum rating of A-1, P-1 or F-1 from Standard & Poor's, Moody's or Fitch respectively), or in one or more similarly-rated money market or short-dated gilt funds.

Each of Standard & Poor's, Moody's and Fitch is established in the European Union and is registered under Regulation (EC) No.1060/2009. As such Standard & Poor's, Moody's and Fitch are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

10 Borrowing and gearing policy

As set out in the Company's investment policy, structural gearing is permitted up to a maximum of 20 per cent. of Net Asset Value immediately following draw down of the relevant debt.

On 18 January 2017 the Company entered into an agreement with the Royal Bank of Scotland in respect of an increase to the £50 million revolving credit facility entered into on 23 March 2015. The increased facility is for an amount of £75 million.

All amounts drawn under the facility are to be used in or towards the making of investments in accordance with the Company's investment policy. Interest on amounts drawn under the facility is charged at a rate of LIBOR plus the margin. The margin on the incremental amount is 1.60 per cent. per annum. A commitment fee computed at the rate of 0.64 per cent. per annum and calculated on a daily basis is payable on undrawn commitments. An arrangement fee was levied upon signing of the increase.

The facility imposes various minimum interest cover and loan-to-value covenants on the Company and is secured, *inter alia*, by way of a charge over accounts of the Company and a debenture over its assets.

11 Currency and hedging policy

Interest rate hedging may be carried out by the Company to seek to provide protection against increasing interest rates as and when any floating rate liabilities are entered into by the Company. The Company's exposure to such floating rate liabilities is likely to be limited to permitted gearing (if any) as referred to in paragraphs 3 and 10 above.

Interest rate hedging may be carried out to seek to provide protection against falling interest rates in relation to assets that do not have a minimum fixed rate of return acceptable to the Company in line with its investment policy and strategy.

The Company will currently engage in currency hedging only with a view to protecting the level of sterling dividends and other distributions to be paid by the Company. It is not the intention of the Company to invest in non-sterling denominated assets, or raise non-sterling denominated liabilities, and such currency hedging is therefore not currently envisaged.

The Company only uses derivatives for the purposes of efficient portfolio management.

12 Valuation and valuation methodology

The Valuation Agent is responsible for carrying out the fair market valuation of the Company's investments on a quarterly basis.

The current Valuation Agent is Mazars LLP, an audit, accountancy, tax, legal and advisory company with 18,000 professionals in 79 countries.

The valuation principles used by the Valuation Agent are based on a discounted cash flow methodology. A fair value for each asset acquired by the Company is calculated by applying a discount rate (determined by the Valuation Agent) to the cash flow expected to arise from each such asset.

The Valuation Agent determines the discount rate that it believes the market would reasonably apply to each investment taking, *inter alia*, the following into account:

- sterling interest rates;
- movements of comparable credit markets;
- the performance of the underlying assets, including any actual or potential event in relation to the underlying asset that may be expected to have a material impact on the ability of the borrower to meet its obligations to its lenders, such as operating performance failures, or the credit impairment of the underlying obligor;
- general infrastructure market activity and investor sentiment, which the Valuation Agent assesses by taking into account its knowledge of the infrastructure market gained from discussions with market participants and from publicly-available information on relevant transactions and publicly-traded infrastructure funds; and
- changes to the economic, legal, taxation or regulatory environment.

The Valuation Agent exercises its judgment in assessing the expected future cash flows from each investment. Given that the investments of the Company are generally fixed income debt instruments (in some cases with elements of inflation protection) or other investments with a similar economic effect, the focus of the Valuation Agent is on assessing the likelihood of any interruptions to the debt service payments, in light of the operational performance of each underlying asset.

13 Net asset valuation

The Administrator is responsible for calculating the Net Asset Value of the Company on a quarterly basis. The Administrator calculates the Net Asset Value of the Company by taking the total of the fair market valuations of all investments of the Company and making such adjustments as are required to reflect the cash held by the Company, accrued liabilities and expenses, prepayments and any other creditors and debtors. The fair market valuations of the Company's investments are submitted by the Valuation Agent to the Administrator each quarter. The Net Asset Value per Ordinary Share is announced through a Primary Information Provider and published on the Company's and Investment Adviser's website.

The Directors may temporarily suspend the calculation, and publication, of the Net Asset Value during a period when, in the opinion of the Directors:

- there are political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Board, and disposal or valuation of investments of the Company or other transactions in the ordinary course of the Company's business is not reasonably practicable without this being materially detrimental to the interests of Shareholders or if, in the opinion of the Board, the Net Asset Value cannot be fairly calculated;
- there is a breakdown of the means of communication normally enjoyed in determining the calculation of the Net Asset Value; or
- it is not reasonably practicable to determine the Net Asset Value on an accurate and timely basis.

Any suspension in the calculation of the Net Asset Value will be notified through a Primary Information Provider as soon as practicable after any such suspension occurs.

14 Fees and expenses

14.1 Expenses of the 2017 Placing Programme

Expenses payable by the Company in relation to the 2017 Placing Programme irrespective of whether any Ordinary Shares are issued under the 2017 Placing Programme will be approximately £320,000. On the assumption that the Company issues the maximum number of New Ordinary Shares available for issue under the 2017 Placing Programme at an average Issue Price, for illustrative purposes only, of 113.02 pence* per Ordinary Share, the gross proceeds from the 2017 Placing Programme will be £243 million and the expenses payable by the Company in relation to the 2017 Placing Programme (including the costs of establishment of, and publication of documentation relating to, the 2017 Placing Programme, fees, commissions and registration and Placing Programme Admission fees) will be £4.1 million, resulting in net proceeds of approximately £238.9 million. By issuing New Ordinary Shares at a premium to NAV intended to at least cover the costs and expenses of the relevant Placing (including, without limitation, any placing commissions) and the initial investment of the amounts raised pursuant to the 2017 Placing Programme, such fees and expenses in relation to the 2017 Placing Programme will effectively be borne by subscribers for the New Ordinary Shares.

**This assumed illustrative Issue Price represents the NAV per Ordinary Share (cum-income) as at 30 December 2016 together with a premium of 2 per cent., expected to cover the costs and expenses of the 2017 Placing Programme.*

14.2 Other fees and expenses

The Company is responsible for its own ongoing operational costs and expenses which include (but are not limited to) the fees and expenses of the Administrator, the Custodian and Depositary, the Directors and the Auditors, as well as listing fees, regulatory fees, expenses associated with any purchases of or tender offers for Ordinary Shares, printing and legal expenses and other expenses (including insurance and irrecoverable VAT).

15 Ordinary Share repurchases and discount control

At the annual general meeting of the Company held on 10 February 2017, a special resolution was passed authorising the Company (subject to the Listing Rules and all other applicable legislation and regulations) to make market purchases of up to 109,893,411 Ordinary Shares, representing 14.99 per cent. of the total Ordinary Shares in issue at the date of the notice convening the annual general meeting. This authority was granted for the purpose of addressing any imbalance between the supply and demand for the Ordinary Shares, to assist in minimising any discount to the Net Asset Value of the Company at which the Ordinary Shares may be trading and to increase the Net Asset Value per Ordinary Share. A renewal of the authority to make purchases of Ordinary Shares will be sought from Shareholders at each annual general meeting of the Company.

The timing of any purchases will be decided by the Board in light of prevailing market conditions and will be made within guidelines established from time to time by the Board. However, such purchases will only be made in accordance with applicable law, including (but not limited to) MAR, the Listing Rules, the Disclosure Guidance and Transparency Rules in force from time to time, or any successor laws, rules or regulations. The Listing Rules currently provide that where the Company purchases its Ordinary Shares the maximum price (exclusive of any expenses) to be paid for each Ordinary Share must not be more than 105 per cent. of the average of the middle market quotations for an Ordinary Share (as derived from the Daily Official List of the London Stock Exchange) for the five Business Days immediately preceding the day on which the purchase is made or, if higher, that stipulated by the regulatory technical standards adopted by the EU pursuant to MAR.

16 Disclosure obligations

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (as amended from time to time) (“DTR 5”) of the FCA Handbook apply to the Company on the basis that the Company is a “non-UK issuer”, as such term is defined in DTR 5. As such, a person is required to notify the Company of the percentage of voting rights it holds as a holder of Ordinary Shares or holds or is deemed to hold through the direct or indirect holding of financial instruments falling within DTR 5 if, as a result of an acquisition or disposal of Ordinary Shares (or financial instruments), the percentage of voting rights reaches, exceeds or falls below the relevant

percentage thresholds being, in the case of a non-UK issuer, 5, 10, 15, 20, 25, 30, 50 and 75 per cent. Pursuant to the Articles, DTR 5 is deemed to apply to the Company as though the Company were a “UK issuer”, as such term is defined by DTR 5. As such, the relevant percentage thresholds that apply to the Company are 3, 4, 5, 6, 7, 8, 9, 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent., notwithstanding that in the absence of those provisions of the Articles such thresholds would not apply to the Company.

17 Taxation

Information concerning the tax status of the Company and in relation to an investment in New Ordinary Shares is set out in Part 5 of this document. If any potential investor is in any doubt about the taxation consequences of acquiring, holding or disposing of New Ordinary Shares, they should seek advice from their independent professional adviser.

18 Non-mainstream pooled investments

The Board notes the rules of the FCA on the promotion of non-mainstream pooled investments, effective from 1 January 2014. The Board confirms that it conducts the Company’s affairs, and intends to continue to conduct its affairs, so that the Company’s shares will be “excluded securities” under the FCA’s new rules. This is on the basis that the Company, which is resident outside the EEA, would qualify for approval as an investment trust by the Commissioners for HMRC under sections 1158 and 1159 of the Corporation Tax Act 2010 if resident and listed in the United Kingdom. Therefore, the Company’s shares will not amount to non-mainstream pooled investments. Accordingly, promotion of the Company’s shares will not be subject to the FCA’s restriction on promotion of non-mainstream pooled investments.

PART 2

MANAGEMENT AND ADMINISTRATION

1 Board of Directors

The Articles of Association provide that the Company's Board of Directors shall comprise at least two Directors. The Company currently has six Directors, all of whom are non-executive directors. All of the Directors are independent of the Investment Adviser. The Directors meet on a regular basis to review and assess the investment policy and performance of the Company and generally to supervise the conduct of its affairs, including in relation to the Company's risk profile, the delegation or allocation of operational responsibilities to the Company's service providers and exercising oversight of the way in which these responsibilities are fulfilled.

The Directors and their business experience are as follows:

Ian Reeves CBE, CCMI, FCInstCES, FRSA, FINSTD (*Chairman*)

Ian Reeves CBE, a UK resident, is an entrepreneur, international businessman and advisor. He is Senior Partner of Synaps Partners LLP and visiting Professor of Infrastructure Investment and Construction at Alliance Manchester Business School, the University of Manchester. He was made a Commander of the Most Excellent Order of the British Empire (CBE) in 2003 for his services to business and charity. Ian has served as a Director since 15 June 2010.

David Pirouet F.C.A.

David Pirouet, a Jersey resident, is a qualified accountant. He was an audit and assurance partner for 20 years with PricewaterhouseCoopers CI LLP ("**PwC**") until he retired in June 2009. He specialised in the financial services sector, in particular in the alternative investment management area. Since retiring from PwC, David serves on the board of another traded company, the AIM quoted Ludgate Environmental Fund Limited and on privately held investment entities. David has served as a Director since 15 June 2010.

Clive Spears

Clive Spears, a Jersey resident, is a career qualified corporate banker with 32 years' experience with the Royal Bank of Scotland Group of which the last 18 years were spent in Jersey until retirement in 2003. Relevant experience has spanned Corporate Finance, Treasury Products, Global Custody and Trust & Fund Administration. He also has experience in audit and compliance. Clive serves on the board of an AIM quoted company EPE Special Opportunities plc, and on the board of a main market listed investment trust, Invesco Perpetual Enhanced Income Limited. Clive has served as a Director since 7 February 2014.

Paul de Gruchy

Paul de Gruchy, a UK resident since August 2016, is a qualified Jersey Advocate with 20 years' experience in financial services law. For the last 9 years he has been Head of Legal for BNP Paribas in the UK offshore area. He has extensive experience in the financial services sector, in particular in the area of offshore funds. He has held senior positions at the Jersey Economic Development Department where he was the Director responsible for finance industry development and the Jersey Financial Services Commission (the regulator of the Company). Paul is a graduate of Queens' College, Cambridge. Paul has served as a Director since 7 February 2014.

Julia Chapman

Julia Chapman, a Jersey resident, is a solicitor qualified in England & Wales and Jersey with over 25 years' experience in the investment fund and capital markets sector. Having trained with Simmons & Simmons in London, Julia moved to Jersey to work for Mourant du Feu & Jeune (now Mourant Ozannes) and became a partner in 1999. Julia was then appointed general counsel to Mourant International Finance Administration (the firm's fund administration division) with responsibility for legal, risk and compliance oversight of third party administration services to alternative investment funds. Julia serves on the board of two main market listed companies, Henderson Far East Income Limited and BH Global Limited. Julia was appointed as a Director on 1 October 2015.

Michael Gray FCIBS

Michael Gray, a Jersey resident, is a qualified corporate banker and corporate treasurer. Michael was most recently the Regional Managing Director, Corporate Banking for RBS International, based in Jersey but with responsibility for The Royal Bank of Scotland's Corporate Banking Business in the Crown Dependencies and British Overseas Territories.

In a career spanning 31 years with The Royal Bank of Scotland Group plc, Michael has undertaken a variety of roles including that of an auditor for 4 years and has extensive general management and lending experience across a number of industries. Michael was appointed as a Director on 1 October 2015.

2 Corporate governance

The Listing Rules require the Company to follow a “comply or explain” regime in relation to the UK Corporate Governance Code. The Company complies with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below:

- the role of the Chief Executive: for the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code the Board considers that the post of Chief Executive Officer is not relevant for the Company, being an externally managed investment Company;
- the appointment of a Senior Independent Director;
- executive Directors' remuneration;
- internal audit function;
- the Chairman of the Company, Ian Reeves, is a member of the Audit Committee. The Board believes it is appropriate for Mr Reeves to be a member of the Audit Committee as he is considered to be independent and there are no conflicts of interest.

In accordance with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code applicable to a FTSE 350 company, the continuing appointment of each Director is the subject of a shareholder vote at each annual general meeting of the Company.

There are no additional codes of corporate governance under Jersey Companies Law or prescribed by the JFSC with which the Company is required to comply (other than the statutory provisions of the Jersey Companies Law itself and the Codes of Practice for Certified Funds published by the JFSC).

The Company is a member of the AIC and is classified as a Specialist Infrastructure Company.

The Directors have adopted a share dealing code in connection with Directors' dealings in the Company's securities, which is compliant with MAR, in respect of dealings by “persons discharging managerial responsibilities” and “persons closely associated” (both as defined in MAR). The Board is responsible for taking all proper and reasonable steps to ensure compliance with MAR by the Directors.

2.1 Audit committee

The Company has established an audit committee. The audit committee's membership comprises Ian Reeves, David Pirouet and Michael Gray and the committee is chaired by David Pirouet, who is a chartered accountant and a former audit partner. The audit committee meets at least twice a year, but can meet more often if necessary. The audit committee operates within defined terms of reference, a copy of which is available on request from the Company secretary. The audit committee's main functions include, *inter alia*, making recommendations to the Board in relation to the appointment and remuneration of the Company's auditors and monitoring and reviewing annually their independence, objectivity, effectiveness and qualifications. The audit committee also monitors the integrity of the financial statements of the Company, including its annual and interim reports and any preliminary results announcements.

The audit committee is responsible for overseeing the Company's relationship with the external auditors. The audit committee considers the nature, scope and results of the auditors' work and reviews, develops and implements policy on the supply of non-audit services that are to be provided by the external auditors. The audit committee focuses particularly on

compliance with legal requirements, accounting standards and the relevant Listing Rules and ensuring that an effective system of controls is maintained. The ultimate responsibility for reviewing and approving the annual report and accounts remains with the Board.

2.2 Investment committee

The investment committee's membership comprises Clive Spears, Paul de Gruchy and Julia Chapman and is chaired by Clive Spears. The investment committee operates within defined terms of reference, a copy of which is available on request from the company secretary. The investment committee meets as often as the Board considers necessary. The investment committee's main functions include, *inter alia*, considering and approving (or not, as the case may be) investment recommendations made by the Investment Adviser, and overseeing and effecting the making of investments by the Company.

2.3 Management engagement committee

The management engagement committee's membership comprises all of the members of the Board and is chaired by Clive Spears. The management engagement committee operates within defined terms of reference, a copy of which is available on request from the Company secretary. The management engagement committee meets at least once a year and as often as the Board considers necessary. The management engagement committee's main function is to review and make recommendations on any proposed amendment to the Investment Advisory Agreement and keep under review the performance of third party advisers and service providers to the Company, in particular, the Investment Adviser in its role as investment adviser to the Company.

2.4 Remuneration and nomination committee

The remuneration and nomination committee's membership comprises Ian Reeves, David Pirouet and Clive Spears and is chaired by Ian Reeves. The remuneration and nomination committee operates within defined terms of reference, a copy of which is available on request from the company secretary. The remuneration and nomination committee meets as often as the Board considers necessary. The remuneration and nomination committee's main functions include, *inter alia*: (i) identifying individuals qualified to become Board members and selecting director nominees for election at general meetings of the Shareholders or for appointment to fill vacancies; (ii) determining director nominees for each committee of the Board; and (iii) considering the appropriate composition of the Board and its committees.

3 Investment Adviser

The Company receives investment advice from the Investment Adviser, Gravis Capital Partners LLP, in accordance with the terms of the Investment Advisory Agreement. The Investment Adviser acts as the Company's AIFM for the purposes of the AIFMD and is authorised and regulated by the FCA (registration number 487393). The Investment Adviser was incorporated in England and Wales on 14 October 2007 under the Limited Liability Partnership Act 2000 (registered number OC332060).

The Investment Adviser was formed with a view to developing a specialist infrastructure advisory boutique. This business model was amended to focus specifically on fund management, principally on income generating defensive sectors central to UK infrastructure. The senior management members of the Investment Adviser have extensive experience of the UK infrastructure and debt advisory markets, and have established close relationships with many of the key participants in the UK infrastructure market, including equity investors and lenders.

As at 31 December 2016, the Investment Adviser had total assets under management of approximately £1.6 billion, including three closed-ended investment companies admitted to the Premium Listing segment of the Official List and traded on the London Stock Exchange's main market for listed securities: the Company, GCP Student Living and GCP Asset Backed Income, and which, as at the Latest Practicable Date, all traded at a premium to their respective net asset values.

Under the terms of the Investment Advisory Agreement, the Investment Adviser receives an investment advisory fee from the Company equal to 0.9 per cent. per annum of the Net Asset Value of the Company (net of cash holdings). This fee is calculated and payable quarterly in arrears. The Investment Adviser is also entitled to an arrangement fee of up to 1 per cent. (at the

discretion of the Investment Adviser) of the cost of each asset acquired by the Company. The Investment Adviser will generally seek to charge the arrangement fee to borrowers rather than the Company where possible but, in any event, any such fee payable to the Investment Adviser will not exceed (and has not to date exceeded) 1 per cent. To the extent any arrangement fee negotiated by the Investment Adviser with a borrower exceeds 1 per cent. the benefit of any such excess shall be paid to the Company. No performance fee is charged.

The Investment Adviser receives a fee of £60,000 per annum for acting as AIFM.

The Investment Adviser may, at the absolute discretion of the independent Board, provide the Company with transaction management, documentation, marketing and investor introduction services from time to time. Details of the fees payable in respect of such services in connection with the 2017 Placing Programme are set out in paragraph 7.1 of Part 6 of this document.

As at 24 March 2017 (being the latest practicable date prior to publication of this document), the voting partners of the Investment Adviser held (directly or indirectly, and together with their family members) 2,876,973 Ordinary Shares. The non-voting partners of the Investment Adviser held (directly or indirectly, and together with their family members) 5,704,746 Ordinary Shares.

The Board has been notified of the Investment Adviser's intention, subject to regulatory approval, to transfer its fund management and advisory business from the existing limited liability partnership to a newly incorporated management company under substantially the same ownership as the current limited liability partnership. Accordingly, it is currently anticipated that the Investment Advisory Agreement will be novated to the new management company in Q2 2017. Under the novation agreement, the new management company will assume liability for all acts and omissions of the existing limited liability partnership vehicle under the Investment Advisory Agreement.

4 Administrator

Capita Financial Administrators (Jersey) Limited (a company incorporated in Jersey on 24 October 2003 with registered number 86301) has been appointed as administrator and secretary of the Company pursuant to the Administration Agreement. The Administrator has an issued share capital comprising 305,002 ordinary shares. The Administrator is responsible for the general administrative requirements of the Company, such as the maintenance of accounting and statutory records. Details of the Administration Agreement are set out in paragraph 7.4 of Part 6 of this document. The Administrator delegates client accounting services to Capita Sinclair Henderson Limited of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

5 Custodian and Depositary

Capita Trust Company (Jersey) Limited (a company incorporated in Jersey as a limited liability company on 28 April 1956 with company number 702) has been appointed as custodian and depositary of the Company pursuant to the Custodian Agreement. The Custodian is a wholly owned subsidiary of Capita Fiduciary Group Limited (a company incorporated in Jersey on 16 January 2006 with company number 92185 and an issued share capital comprising 52,975 shares). Capita Fiduciary Group Limited is a wholly owned subsidiary of Capita plc, a company incorporated in England whose registered office is 71 Victoria Street, Westminster, London SW1H 0XA and which is listed on the London Stock Exchange. The Custodian has an issued and fully paid-up share capital of 53,975 shares divided into 50,000 shares of £1.00 each issued at par value and 3,975 shares of £1.00 each issued at a price of £1,000. Its registered address and principal place of business is at 12 Castle Street, St. Helier, Jersey JE2 3RT and its telephone number is 01534 847000. The Custodian is regulated by the Jersey Financial Services Commission. Details of the Custodian Agreement are set out in paragraph 7.6 of Part 6 of this document.

Under the terms of the Custodian Agreement, the Custodian provides depositary services to the Company and is responsible for: setting up and maintaining cash accounts; ensuring the Company's cash flows are properly monitored; the safe-keeping of Custody Assets; and the oversight and supervision of certain operational functions of the Investment Adviser and the Company.

6 Registrar

Capita Registrars (Jersey) Limited (a company incorporated in Jersey on 6 March 1996 with registration number 64502) has been appointed as Registrar to the Company pursuant to the

Share Registration Services Agreement. The Registrar has an issued share capital comprising 10,000 ordinary shares. Details of the Share Registration Services Agreement are set out in paragraph 7.5 of Part 6 of this document.

5 Potential conflicts of interest

Under the terms of the Investment Advisory Agreement, the Investment Adviser has agreed that neither it nor any of its employees, agents or affiliates shall, for so long as the Investment Advisory Agreement remains in force, and except with the express prior written consent of the Company, act as the adviser, manager or sponsor of any fund or other entity that may invest in assets within the scope of the Company's investment policy and strategy or engage in any activity which may compete in the same or substantially similar investment areas as the Company's investment policy and strategy. To the extent that any conflicts may arise, the Investment Adviser will seek to ensure that any conflicts of interest are resolved fairly.

Where the Investment Adviser is or has been engaged by a third party in an advisory role on a transaction which gives rise to an investment opportunity for the Company, the Investment Adviser shall disclose full details of its engagement to the directors of the Company at the earliest opportunity.

Further, where officers of the Investment Adviser hold an interest, directly or indirectly, in any potential investment by the Company such officers shall be prohibited from attending and voting at any meeting of the Investment Adviser in relation to such investment.

The Company has given its consent for the Investment Advisor to act as the investment manager to GCP Asset Backed Income, a closed-ended investment company listed on the London Stock Exchange's main market for listed securities. GCP Asset Backed Income is focussed predominantly on debt investments secured against physical assets and/or contracted cash flows. The Company has given its consent on the basis that where the Investment Adviser identifies an investment which, in its opinion acting reasonably and in good faith, falls within the Company's remit, the Company will have a right of first refusal.

The Investment Advisory Agreement may be terminated by the Company giving 60 business days' written notice to the Investment Adviser upon the occurrence of a "**Key Person Event**".

A Key Person Event occurs if: (a) two or more of the "**Key Persons**" (being initially Stephen Ellis, Rollo Wright, Nick Parker and Ronan Kierans) should die or otherwise become incapacitated or shall retire, resign or cease to dedicate substantially all of their working time to providing services to the Company; and (b) suitable replacement Key Persons have not been approved by the Company.

PART 3

CURRENT PORTFOLIO

1 Overview of the current investment portfolio

As at the date of this document, the Company is exposed to a diversified portfolio of partially inflation protected investments comprising 45 investments with an unaudited valuation of £762.7 million* and with a weight-adjusted annualised yield of 8.7 per cent. The average term of the Company's investment portfolio as at that date was 16 years. The Company's investment portfolio is 24 per cent. exposed to PFI projects, 59 per cent. exposed to renewable energy assets, 16 per cent. exposed to social housing transactions and 2 per cent. exposed to asset finance. 64 per cent. of the investment portfolio is secured on a senior basis. Approximately 67 per cent. of the investment portfolio is inflation protected.

The Company's ten largest investments as at the date of this document were as follows:

<i>Loan</i>	<i>Valuation (£'m)*</i>	<i>% of portfolio</i>	<i>Project</i>	<i>Sector</i>	<i>Cash flow</i>	<i>Inflation protection</i>
Cardale PFI Investments Limited ¹	85.68	11.23	Various PFI projects	Various UK PFI	Unitary charge	No
GCP Programme Funding 1 Ltd Series 1 Notes	48.88	6.41	Supported living accommodation	Accommodation	Lease payment	Yes
GCP Biomass 1 Ltd	43.58	5.71	Northern Ireland anaerobic digestion	UK anaerobic digestion	ROCs	Yes
GCP Social Housing 1 Ltd D Notes	42.48	5.57	Supported living care property	Accommodation	Lease payment	Yes
GCP Biomass 5 Ltd	36.95	4.84	Agrivert	UK anaerobic digestion	Feed-in tariff	Yes
GCP Green Energy 1 Ltd	36.88	4.84	Various renewable projects	UK onshore wind and commercial solar	ROCs and feed-in tariff	Yes
GCP Rooftop Solar 4 Ltd	33.74	4.42	Residential rooftop solar installations	Rooftop solar	Feed-in tariff	Yes
GCP Healthcare 1 Ltd	32.95	4.32	Various PFI projects	Various UK PFI	Unitary charge	No
GCP Rooftop Solar 5 Ltd	27.55	3.61	Residential rooftop solar installations	Rooftop solar	Feed-in tariff	Yes
GCP Rooftop Solar 6 Ltd	26.13	3.42	Residential rooftop solar installations	Rooftop solar	Feed-in tariff	Yes
TOTAL	414.82	54.37				

*The valuations detailed above are as at the Latest Practicable Date.

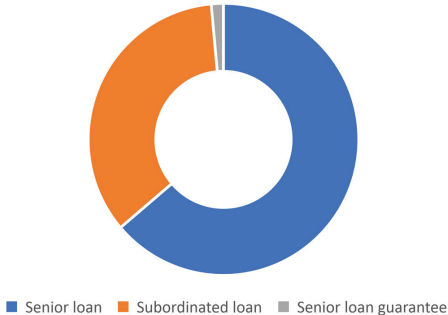
There has been no material change in the relative valuations of the Company's existing investments, between the Latest Practicable Date and the date of this document.

¹ The Cardale loan is secured against 14 separate operational PFI projects.

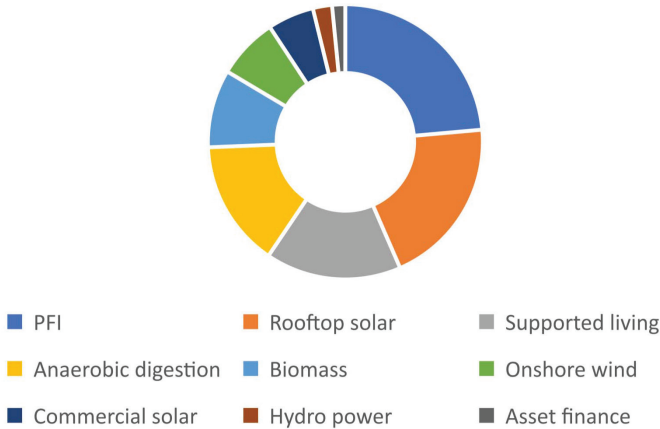
2 Portfolio analysis

The charts below show the Company’s portfolio by investment type, project sector, expected remaining term and annualised yield as at the Latest Practicable Date:

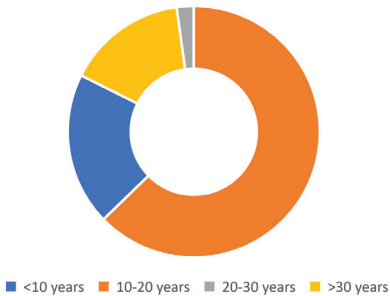
2.1 Investment type



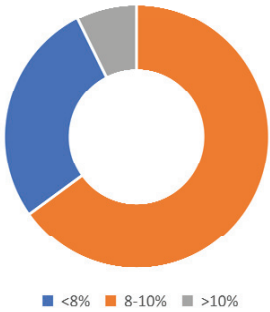
2.2 Project sector



2.3 Expected remaining term



2.4 Annualised yield



PART 4

THE 2017 PLACING PROGRAMME

1 Introduction

On 10 February 2017, Shareholders approved a resolution to enable the Company to issue up to 215 million Ordinary Shares (representing approximately 29.3 per cent. of the issued share capital of the Company as at 24 March 2017, being the latest practicable date prior to publication of this document) on a non-pre-emptive basis pursuant to the 2017 Placing Programme.

The Directors believe that instituting the 2017 Placing Programme will have the following benefits:

- the Company will be able to raise additional capital promptly, enabling it to take advantage of current and future investment opportunities, thereby further diversifying its investment portfolio, both by number of investments and by sector;
- an increase in the market capitalisation of the Company will help to make the Company attractive to a wider investor base;
- it is expected that the secondary market liquidity in the Ordinary Shares will be further enhanced as a result of a larger and more diversified shareholder base. The 2017 Placing Programme will partially satisfy market demand for Ordinary Shares from time to time and improve liquidity in the market for Ordinary Shares; and
- the Company's fixed running costs will be spread across a wider shareholder base, thereby reducing the total expense ratio.

The maximum number of New Ordinary Shares available under the 2017 Placing Programme should not be taken as an indication of the number of New Ordinary Shares to be issued. The allotment and issue of New Ordinary Shares under the 2017 Placing Programme is at the discretion of the Directors. Allotments and issuances may take place at any time prior to the final closing date of 27 March 2018.

The 2017 Placing Programme is not being underwritten.

2 Investor profile

Typical investors in the Company pursuant to the 2017 Placing Programme are expected to be institutional and sophisticated investors and private clients.

3 Details of the 2017 Placing Programme

The 2017 Placing Programme will open on 28 March 2017 and close on 27 March 2018 (or any earlier date on which it is fully subscribed).

Subject to the requirements of the Listing Rules, the minimum Issue Price at which New Ordinary Shares will be issued will be equal to the unaudited prevailing Net Asset Value of the existing Ordinary Shares (cum-income) together with a premium intended to at least cover the costs and expenses of the relevant Placing under the 2017 Placing Programme (including, without limitation, any placing commissions). Fractions of shares will not be issued.

Where New Ordinary Shares are issued, the total assets of the Company will increase by that number of New Ordinary Shares multiplied by the relevant Issue Price, less brokers' commission and expenses. It is not expected that there will be any material impact on the earnings and Net Asset Value per Ordinary Share, as the net proceeds of the 2017 Placing Programme, after providing for the Company's operational expenses, will be used to purchase investments sourced by the Investment Adviser in line with the Company's investment policy (details of which are set out in paragraph 3 of Part 1 of this document).

If 215 million New Ordinary Shares (being the maximum number of New Ordinary Shares available under the 2017 Placing Programme) are issued pursuant to the 2017 Placing Programme, the share capital of the Company in issue at the date of this Prospectus will, following the closing of the 2017 Placing Programme, be increased by approximately 29.3 per cent. as a result of the 2017 Placing Programme. On this basis, if a Shareholder does not acquire any New Ordinary Shares, his or her proportionate economic interest in the Company will be diluted by 22.7 per cent.

The allotment of New Ordinary Shares is at the discretion of the Directors and may take place at any time prior to the final closing date of 27 March 2018. An announcement of each issue of New

Ordinary Shares will be released through a Primary Information Provider, including details of the number of New Ordinary Shares issued and the Issue Price.

The New Ordinary Shares will rank *pari passu* with the Ordinary Shares then in issue and will have the rights set out in the Company's Articles which are summarised in paragraph 3 of Part 6 of this document (save for any dividends or distributions which are declared, made or paid by reference to a record date prior to the issue of the New Ordinary Shares).

The ISIN number of the Ordinary Shares (including the New Ordinary Shares) is JE00B6173J15.

The Company does not guarantee that at any particular time market-makers will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the NAV per Ordinary Share.

4 Conditions

The terms and conditions which shall apply to any subscription for New Ordinary Shares pursuant to the 2017 Placing Programme are set out at the end of this document.

5 Settlement

Applications will be made on a per Placing basis for the New Ordinary Shares to be admitted to the Premium Listing segment of the Official List and for such New Ordinary Shares to be admitted to trading on the premium segment of the London Stock Exchange's Main Market for listed securities. All allotments of New Ordinary Shares will be conditional on Admission occurring in relation to the relevant New Ordinary Shares. The timing of the applications for Admission and their approval are not known at the date of this document but no New Ordinary Shares will be issued if they will not be so admitted. No application is expected to be made for the New Ordinary Shares to be listed or dealt in on any stock exchange or investment exchange other than the London Stock Exchange.

The Company does not propose to accept multiple subscriptions. Financial intermediaries who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom application is being made. Multiple applications or suspected multiple applications on behalf of a single client are liable to be rejected.

6 Certificates and CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. It is expected that the New Ordinary Shares will be so admitted, and accordingly enabled for settlement in CREST, as soon as practicable after Admission has occurred.

New Ordinary Shares will be issued in registered form and transferred to successful applicants through the CREST system. CREST is a voluntary system and holders of New Ordinary Shares who wish to receive and retain share certificates will be able to do so.

Dealings in the New Ordinary Shares in advance of the crediting of the relevant CREST account or the issue of share certificates will be at the risk of the persons concerned.

7 Money Laundering

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK and/or Jersey, the Company and its agents, the Administrator, the Investment Adviser and the Bookrunner may require evidence in connection with any application for New Ordinary Shares, including further identification of the applicant(s), before any New Ordinary Shares are issued.

The Company and its agents, the Administrator, the Investment Adviser and the Bookrunner reserve the right to request such information as is necessary to verify the identity of the prospective Shareholder and (if any) the underlying prospective beneficial owner of the Ordinary Shares. In the event of delay or failure by the prospective Shareholder to produce any information required for verification purposes, the Directors, in consultation with the Bookrunner and the Investment Adviser, may refuse to accept any subscription for New Ordinary Shares.

8 The Share Issuance Agreement

Pursuant to the Share Issuance Agreement, the Bookrunner has agreed to use its reasonable endeavours to procure placees and the Investment Adviser has agreed, *inter alia*, to use its reasonable endeavours to make introductions to potential placees, each on the terms and subject to the conditions set out in the Share Issuance Agreement. Each issue of New Ordinary Shares will be conditional, *inter alia*, on Admission of the New Ordinary Shares.

Under the Share Issuance Agreement, the Company has agreed to pay aggregate fees and commissions equal to £100,000 and 1.25 per cent. of the gross proceeds raised from each Placing under the 2017 Placing Programme, together with any applicable VAT.

Stifel will be paid from such fees and commissions set out above, a fee of £50,000 for the provision of listing sponsor and bookrunner services and a placing commission of 1.0 per cent. of the gross proceeds raised from each Placing under the 2017 Placing Programme, together with any applicable VAT. Pursuant to the Share Issuance Agreement, Stifel may rebate any part of its commissions and fees to third parties.

The Board notes the additional resource committed by the Investment Adviser in providing its client funds, including the Company, a more comprehensive service which it believes will strengthen the level of transaction and marketing support for the Company, in a cost effective manner, as it seeks to grow. For the provisions of such services, the Investment Adviser will be paid from the fees and commissions set out above a fee of £50,000 in connection with transaction management and documentation services. The Investment Adviser shall further provide, directly and through its appointment of Highland Capital Partners, marketing and investor introduction services. A commission of 0.25 per cent. of the gross proceeds raised from each Placing under the 2017 Placing Programme, together with any applicable VAT, will be payable to the Investment Adviser from the fees and commissions set out above and from which it will pay commissions to Highland Capital Partners. Highland Capital Partners is an independent sales, marketing and investor relations business working with brokers and fund management companies to facilitate investor introductions.

9 Scaling back and allocation

The maximum number of New Ordinary Shares available under the 2017 Placing Programme is 215 million. In the event that applications for New Ordinary Shares to be issued pursuant to any Placing were to exceed a level that the Directors determine, in their absolute discretion at the time of closing that Placing, to be the appropriate maximum size of that issue of New Ordinary Shares and, in any event, if applications under the 2017 Placing Programme were to exceed the maximum number of New Ordinary Shares available under the 2017 Placing Programme, it would be necessary to scale back applications under the relevant Placing. The Bookrunner reserves the right, after consultation with the Company and the Investment Adviser, to scale back applications in such amounts as it considers appropriate. The Company reserves the right to decline in whole or in part any application for New Ordinary Shares.

The Company will notify investors of the number of New Ordinary Shares in respect of which their application has been successful, and the results of each Placing (including the number of New Ordinary Shares issued) will be announced by the Company by way of an announcement through a Primary Information Provider, as soon as possible following the closing of each Placing.

Monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned without interest at the risk of the applicant to the applicant from whom the money was received.

PART 5

TAXATION

1 Introduction

The information below, which relates only to Jersey and United Kingdom taxation, is for general information purposes only and is a summary of the advice received by the Board from the Company's advisers so far as applicable to the Company and to investors who are resident in Jersey and the United Kingdom for taxation purposes. It is not intended to be a comprehensive summary of all technical aspects of the structure, or tax law and practice in Jersey and the United Kingdom (including such tax law and practice as it applies to any land or building situated in Jersey). It is not intended to constitute legal or tax advice to Shareholders.

The information below is based on current Jersey and United Kingdom tax law and published practice which is, in principle, subject to any change (potentially with retrospective effect). Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder investing in the Company may depend on the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

2 Jersey

2.1 *The Company*

Under Article 123C of the Income Tax (Jersey) Law 1961 (the "**Jersey Income Tax Law**") and on the basis that the Company is tax resident in Jersey, the Company (being neither a financial services company nor a specified utility company under the Jersey Income Tax Law at the date of this document) will (except as noted below) be regarded as subject to Jersey income tax at a rate of zero per cent.

If the Company derives any income from the ownership or disposal of land in Jersey, such income will be subject to tax at the rate of 20 per cent. It is not expected that the Company will derive any such income.

2.2 *Holders of Ordinary Shares*

Dividends on Ordinary Shares may be paid by the Company without withholding or deduction for or on account of Jersey income tax and holders of Ordinary Shares (other than Jersey residents) will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such Ordinary Shares. The attention of any holder of Ordinary Shares who is resident in Jersey is drawn to the provisions of Article 134A of the Jersey Income Tax Law, as amended, which may in certain circumstances render such a resident liable to Jersey income tax on undistributed income or profits of the Company.

It should also be noted that the Jersey Income Tax Law contains provisions for the taxation of Jersey resident individual shareholders of Jersey tax resident companies. Advice should be obtained from a professional adviser in these circumstances.

2.3 *Goods and Services Tax*

Jersey has a goods and services tax ("**GST**") on goods and services supplied in the Island. The current GST rate is 5 per cent. On the basis that the Company has obtained international services entity status the Company is not:

- a taxable person pursuant to the Goods and Services Tax (Jersey) Law, 2007;
- required to charge goods and services tax in Jersey in respect of any supply made by it; and
- (subject to limited exceptions that are not expected to apply to the Company) required to pay goods and services tax in Jersey in respect of any supply made to it.

The Directors intend to continue to conduct the business of the Company such that no GST will be incurred by the Company.

2.4 **Stamp Duty**

In Jersey, no stamp duty is levied on the issue or transfer of the Ordinary Shares except that stamp duty is payable on Jersey grants of probate and letters of administration, which will generally be required to transfer Ordinary Shares on the death of a holder of such Ordinary Shares. In the case of a grant of probate or letters of administration, stamp duty is levied according to the size of the deceased's net moveable estate (wherever situated in respect of a holder of Ordinary Shares domiciled in Jersey, or situated in Jersey in respect of a holder of Ordinary Shares domiciled outside Jersey) and is payable on a sliding scale at a rate of up to 0.75 per cent. on the moveable value of an estate with a maximum net value of £13,360,000. The rules for joint holders and holdings through a nominee are different and advice relating to this form of holding should be obtained from a professional adviser.

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains or gifts nor are there otherwise estate duties.

Purchasers of New Ordinary Shares may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase or other relevant jurisdiction in addition to the Issue Price of the New Ordinary Shares.

2.5 **European Union Directive on the Taxation of Savings Income**

Following the repeal on 1 January 2016 of the European Union Savings Directive (Council Directive 2003/48/EC) (the "**EU Savings Tax Directive**"), and in line with steps taken by other relevant third countries, Jersey has suspended its system of automatic communication to EU Member States of information regarding payments made by certain Jersey collective investment vehicles to EU resident individuals (save in respect of Austria, which currently still requires the communication of such information). The introduction of the Common Reporting Standard (see below) will supersede the information exchange arrangements previously in place.

2.6 **U.S. FATCA**

Under Sections 1471 through 1474 of the U.S. Internal Revenue Code (commonly referred to as "**FATCA**"), "Financial Institutions" are required to use enhanced due diligence procedures to identify U.S. persons who have invested in either non-U.S. financial accounts or non-U.S. entities.

Pursuant to FATCA, certain payments of (or attributable to) U.S.-source income, and the proceeds of sales of property that give rise to U.S.-source payments, are subject to a 30 per cent. withholding tax with effect from 1 July 2014 unless the Company agreed to certain reporting and withholding requirements ("**FATCA Withholding**").

The United States and Jersey have entered into an intergovernmental agreement ("**U.S.-Jersey IGA**") to implement FATCA. Under the terms of the U.S.-Jersey IGA, the Company is obliged to comply with the provisions of FATCA as enacted by the Jersey legislation implementing the U.S.-Jersey IGA (the "**Jersey IGA Legislation**"), rather than directly complying with the U.S. Treasury Regulations implementing FATCA. Under the terms of the U.S.-Jersey IGA, Jersey resident entities that comply with the requirements of the Jersey IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to FATCA Withholding on payments they receive and will not be required to withhold under FATCA on payments they make.

The Company is considered a Jersey resident financial institution and therefore is required to comply with the requirements of the Jersey IGA Legislation. Under the Jersey IGA Legislation, the Company is required to report to the States of Jersey Comptroller of Taxes certain holdings by and payments made to certain U.S. investors in the Company, as well as to non-U.S. financial institutions that are considered to be Non-Participating Financial Institutions for the purposes of the U.S.-Jersey IGA. Under the terms of the U.S.-Jersey IGA, such information will be onward reported by the States of Jersey Comptroller of Taxes to the United States.

Additional intergovernmental agreements similar to the U.S.-Jersey IGA have been entered into or are under discussion by other jurisdictions with the United States. Different rules than those described above may apply depending on whether a payee is resident in a jurisdiction that has entered into an intergovernmental agreement to implement FATCA.

In order to avoid the Company being subject to withholding taxes, all prospective Shareholders (whether they are U.S. citizens or not) must agree to provide the Company at the time or times prescribed by the Jersey IGA Legislation and at such times reasonably requested by the Company with such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by the Jersey IGA Legislation and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under the Jersey IGA Legislation.

The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the U.S.-Jersey IGA is subject to review by the United States and Jersey and the rules may change. Shareholders should consult with their own tax advisers regarding the application of FATCA to their particular circumstances.

Prospective shareholders should consult their tax advisers with regard to US federal, state, local and non-US tax reporting and certification requirements associated with an investment in the Company.

2.7 **UK FATCA**

In addition to the U.S.-Jersey IGA, Jersey and the United Kingdom have entered into an inter-governmental agreement (“**UK-Jersey IGA**”) for the implementation of information exchange arrangements based on FATCA, whereby relevant financial information in respect of accounts maintained in Jersey for certain persons who are, or being entities that are controlled by one or more, residents in the UK for tax purposes will be reported to the States of Jersey Comptroller of Taxes for onward reporting to HMRC. Under the UK-Jersey IGA, the Company may be required to provide information to the Jersey authorities about investors and their interests in the Company in order to fully discharge its reporting obligations and, in the event of any failure or inability to comply with the proposed arrangements, may suffer a financial penalty or other sanction under Jersey law.

Prospective Shareholders should be aware that they will be required to comply with UK FATCA and that the Company will comply with UK FATCA. All prospective Shareholders must agree to provide the Company at the time or times prescribed by applicable law and at such times reasonably requested by the Company such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under UK FATCA.

Prospective shareholders should, as with US FATCA, consult their tax advisers with regard to the potential UK FATCA tax reporting and certification requirements associated with an investment in the Company. It is further recommended that Shareholders who are entities consider themselves whether they have any obligations to notify their respective investors, shareholders or accountholders about the information that the Company requests, and the potential disclosures that the Company will be obliged to make in connection with those persons in complying with its obligations under UK FATCA.

The introduction of the Common Reporting Standard (see below) will supersede the UK-Jersey IGA but the UK has indicated that it does not wish to forego information for 2016 to be reported in 2017 under the UK-Jersey IGA which under the Common Reporting Standard would not need to be provided until 2018. In agreeing to the changeover the Jersey authorities have agreed that for 2016 the Common Reporting Standard requirements (which include the provision of information on pre-existing individual high value accounts) should be supplemented by the provision of information on pre-existing individual low value accounts and pre-existing entity accounts in respect of UK residents only. This means that the UK can receive information in 2017 without requiring Jersey financial institutions to make separate returns under both the UK-Jersey IGA and the Common Reporting Standard (alternative arrangements may apply in respect of UK resident non-domiciles who have elected to be treated under the Alternative Reporting Regime where the relevant financial institution has also elected to operate the Alternative Reporting Regime).

2.8 **Common Reporting Standard**

The OECD has developed a new global standard for the automatic exchange of financial information between tax authorities (the “**Common Reporting Standard**” or “**CRS**”). The CRS has been implemented in the EU by way of the Revised Directive on Administrative Co-Operation (Council Directive 2014/107/EU). Jersey is a signatory to the CRS and intends to conduct its first exchange of information with tax authorities of other signatory jurisdictions in September 2017. Jersey legislation which implements the CRS in Jersey came into effect on 1 January 2016 (the “**Jersey CRS Legislation**”).

In summary, the Jersey CRS Legislation requires “reporting financial institutions” in Jersey to identify, review and report on “financial accounts” maintained by them and which are held by residents for tax purposes (whether individuals or entities with “Controlling Persons” who themselves are tax residents) of jurisdictions with which Jersey has agreed to exchange information.

Reports will be made to the Jersey Comptroller of Taxes and then passed to the competent authority of the jurisdiction in which the account holder is resident. Although the Company will attempt to satisfy any obligations imposed on it by the CRS, no assurance can be given that it will be able to satisfy such obligations. Implementation of the CRS may require the Company to conduct additional due diligence and report upon accounts held with it by Shareholders who are reportable persons in other participating jurisdictions. As the Jersey CRS Legislation also provides for the “wider approach” of CRS to be followed, equivalent due diligence information will be demanded for a Shareholder who is not a resident of a participating jurisdiction (in order to avoid the need for this information to be gathered retrospectively in future years). The Company may also require certain additional financial information from Shareholders to comply with its due diligence and reporting obligations under the CRS.

Failure by the Company to comply with the obligations under the CRS may result in fines being imposed on the Company and in such event, the target returns of the Company may be materially affected. All prospective Shareholders must agree to provide the Company at the time or times prescribed by applicable law and at such times reasonably requested by the Company such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under CRS.

Prospective shareholders should, as with US and UK FATCA, consult their tax advisers with regard to the potential CRS tax reporting and certification requirements associated with an investment in the Company. It is further recommended that Shareholders who are entities consider themselves whether they have any obligations to notify their respective investors, shareholders or accountholders about the information that the Company requests, and the potential disclosures that the Company will be obliged to make in connection with those persons in complying with its obligations under CRS.

3 **United Kingdom**

The statements below are intended as a general and non-exhaustive summary of certain UK tax implications of a UK resident and (in the case of individuals) domiciled investor holding New Ordinary Shares in the Company (unless expressly stated otherwise). The tax consequences may differ for investors who are not resident in the UK or who are not domiciled in the UK for tax purposes. Investors and prospective investors should seek their own professional advice as to this, as well as to any other relevant laws and regulations in the jurisdiction in which they are resident or domiciled for tax purposes that may affect the tax treatment of their investment. The statements are based on current tax legislation and HMRC practice, both of which are subject to change at any time, possibly with retrospective effect. The statements below apply in respect of investors who acquire and hold New Ordinary Shares in the Company as an investment and not as part of a trade such as dealing in securities.

3.1 **UK taxation of the Company**

The Directors intend to conduct the affairs of the Company in such a manner as to minimise, so far as they consider reasonably practicable, taxation suffered by the Company. This will include conducting the affairs of the Company to seek to ensure that it does not become

resident in the UK for taxation purposes. Provided that the Company does not become so resident in the UK and provided the Company does not carry on a trade in the UK (whether or not through a permanent establishment situated therein), the Company should not be subject to UK income tax or corporation tax other than on certain kinds of UK source income.

3.2 **UK taxation of individuals**

This paragraph provides general guidance for individual investors who are UK resident for UK tax purposes and who hold New Ordinary Shares as investments and not as trading stock.

The Company will not be required to withhold UK tax at source when paying a dividend.

From 6 April 2016, individual investors who are UK tax resident are entitled to a new annual tax free dividend allowance which exempts the first £5,000 of dividend income. From 6 April 2018, this tax free dividend allowance will reduce to £2,000.

UK residents would pay tax on any dividends received over the £5,000 (reduced to £2,000 from 6 April 2018) allowance at the following rates:

- 7.5 per cent. on dividend income within the basic rate band;
- 32.5 per cent. on dividend income within the higher rate band;
- 38.1 per cent. on dividend income within the additional rate band.

A UK resident individual who disposes (or is deemed to dispose) of New Ordinary Shares may, depending on the individual's circumstances and subject to any exemption allowance or relief, be subject to UK capital gains tax.

The Directors consider that the Company should not constitute an "offshore fund" for the purposes of Part 8 TIOPA, as the Company is closed-ended with an unlimited life. In addition, it is not intended that arrangements will be operated in respect of the Company so that investors can expect to realise their investment at or close to NAV other than in the event of a winding up of the Company. However, the Directors will use reasonable endeavours (but without liability) to monitor the Company's status in this regard. If the Company were to be treated as an offshore fund, any gain from a disposal of New Ordinary Shares would generally be taxed as income (an offshore income gain) rather than capital unless the Company were to apply to be a "reporting fund" in accordance with the Offshore Funds (Tax) Regulations 2009, as amended.

The attention of investors is drawn to anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 that could apply if Shareholders are seeking to obtain tax advantages in prescribed conditions.

Investors who are resident in the UK should be aware of the provisions of Chapter 2, Part 13 of the Income Tax Act 2007, which may in certain circumstances, and subject to certain exceptions, render them liable to UK income tax in respect of undistributed income and profits of the Company.

Individual investors who are resident in the UK should be aware that, subject to certain exceptions, if they hold or are treated as holding alone or together with "persons connected with them" (as defined in the relevant legislation) more than a 25 per cent. interest in the Company and the Company would be treated as a "close" company if it were resident in the UK, gains which are capital gains for the purposes of UK tax accruing to the Company may be attributed to them if such gains are not distributed, pursuant to section 13 of TCGA.

3.3 **UK taxation of UK companies**

Investors who hold New Ordinary Shares that are companies resident in the UK for UK taxation purposes may be able to rely on legislation in Chapter 3, Part 9A of the Corporation Tax Act 2009 which exempts certain dividends from the charge to UK corporation tax where certain conditions are met. Such UK companies will, however, be subject to UK corporation tax on chargeable gains in respect of any gains arising on a disposal of New Ordinary Shares.

UK resident companies should note that where they (or they together with their connected persons) have a sufficient interest in the Company (generally 25 per cent. or more), then the controlled foreign company rules in Part 9A TIOPA could apply. Under these rules, a UK resident company with a sufficient interest in the Company may be liable to UK corporation tax in respect of its share of the relevant company's undistributed profits. These provisions

will only apply if the Company is controlled by UK tax residents. “Control” is defined in Chapter 18, Part 9A TIOPA. The controlled foreign company rules contain a number of exemptions and safe harbours. However, the Directors cannot guarantee that any of these will apply. Accordingly, any UK resident company directly or indirectly acquiring a sufficient interest (as described above) in the Company may be affected by the rules.

The provisions of Part 8 of TIOPA and section 13 of TCGA as set out above apply equally to investors that are subject to UK corporation tax as they do to UK resident individuals. As stated above, the Directors do not consider the Company to constitute an “offshore fund”.

3.4 ***New Ordinary Shares – ISAs***

Investors should note that New Ordinary Shares which are acquired pursuant to the 2017 Placing Programme will not be eligible for inclusion in a stocks and shares ISA.

3.5 ***Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)***

The following comments are intended as a guide to the current general stamp duty and SDRT position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services, to whom special rules apply.

No UK stamp duty or SDRT will be payable on the issue of New Ordinary Shares. UK stamp duty (at the rate of 0.5 per cent. of the amount of the value of the consideration for the transfer rounded up where necessary to the nearest £5) is payable on any instrument of transfer of New Ordinary Shares executed within, or in certain cases brought into, the UK. Provided that the New Ordinary Shares are not registered in any register of the Company kept in the UK and that the New Ordinary Shares are not paired with shares issued by a company incorporated in the UK, any agreement to transfer New Ordinary Shares should not be subject to UK SDRT.

If investors are in any doubt as to their tax position, they should consult an independent professional adviser.

PART 6

ADDITIONAL INFORMATION ON THE COMPANY

1 Incorporation and Status of the Company

- 1.1 The Company is a closed-ended investment company which was incorporated in Jersey on 21 May 2010 under the provisions of the Jersey Companies Law with registered number 105775 with the name GCP Infrastructure Investments Limited.
- 1.2 The principal legislation under which the Company operates, and under which the Ordinary Shares have been created, is the Jersey Companies Law.
- 1.3 The Company's legal and commercial name is GCP Infrastructure Investments Limited. The Company is not part of a group. The Company merged with its wholly-owned subsidiary, GCP Infrastructure Asset Holdings Limited, on 30 September 2015.
- 1.4 The registered and head office and the principal place of business of the Company is at 12 Castle Street, St. Helier, Jersey JE2 3RT. The Company is domiciled in Jersey. The telephone number of the Company's registered office is +44 (0)1534 847060.
- 1.5 The Company's accounting period ends on 30 September of each year. Historical financial information on the Company from 1 October 2013 to 30 September 2016 is included in this document in Part 7.
- 1.6 Ernst & Young LLP of Liberation House, Castle Street, St Helier, Jersey JE1 1EY was the auditor of the Company for the periods ended 30 September 2014 and 30 September 2015. Ernst & Young LLP is a member of the Institute of Chartered Accountants in England and Wales. KPMG Channel Islands Jersey Limited was appointed as auditor at the annual general meeting of the Company held on 12 February 2016 and was therefore the auditor of the Company for the period ended 30 September 2016. KPMG Channel Islands Limited is a member of the Institute of Chartered Accountants in England and Wales. The annual report and financial statements of the Company are prepared according to IFRS and the Jersey Companies Law. The annual report and financial statements of the Company are made up to 30 September in each year with copies expected to be sent to Shareholders within the following four months. The Company also publishes unaudited half-yearly reports to 31 March with copies expected to be sent to Shareholders within the following three months. A copy of the financial statements relating to the Company may be downloaded from www.gcruk.com/gcp-infrastructure-investments-ltd.
- 1.7 The Company is regulated as a certified fund in Jersey pursuant to the CIF Law and the Jersey Listed Fund Guide published by the JFSC. The Company is not currently authorised or regulated by the FCA.
- 1.8 The Ordinary Shares are denominated in sterling.

2 Share Capital of the Company

- 2.1 The Company had the following changes in share capital during the period from 1 October 2013 to 30 September 2016:
 - 2.1.1 As a result of a scrip dividend alternative announced on 18 November 2013, the Company issued, on 30 December 2013, 651,693 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of a final dividend of 3.8 pence per Ordinary Share.
 - 2.1.2 On 7 February 2014, the Company issued 72,742,362 Ordinary Shares pursuant to the Reorganisation.
 - 2.1.3 At an extraordinary general meeting of the Company held on 7 February 2014, the authorised share capital of the Company was increased from £6,500,000 to £10,000,000 by the creation of:
 - (a) 300,000,000 Ordinary Shares; and
 - (b) 50,000,000 Deferred Shares.
 - 2.1.4 On 25 February 2014, the Company issued 280,096 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of a final dividend for the period 1 August 2013 to 31 December 2013.

- 2.1.5 On 18 March 2014, the Company issued 80,000,000 C shares.
- 2.1.6 On 28 May 2014, the Company issued 514,285 new Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of final dividend for the period 1 January 2014 to 31 March 2014.
- 2.1.7 On 8 August 2014, the 80,000,000 C Shares referred to in paragraph 2.1.12 above were converted into 76,456,000 Ordinary Shares. As part of the conversion, 3,544,000 Deferred Shares were issued and subsequently cancelled on 29 August 2014.
- 2.1.8 On 27 August 2014, the Company issued 535,071 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of final dividend for the period 1 April 2014 to 30 June 2014.
- 2.1.9 On 25 November 2014, the Company issued 62,639,821 Ordinary Shares pursuant to the 2014 Placing Programme and 787,758 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of final dividend for the period from 1 July 2014 to 30 September 2014.
- 2.1.10 At the annual general meeting of the Company held in 2015, it was resolved that the authorised share capital of the Company be increased from £10,000,000 to £11,000,000.
- 2.1.11 On 24 February 2015, the Company issued 602,044 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of final dividend for the period 1 October 2014 to 31 December 2014.
- 2.1.12 On 26 May 2015, the Company issued 305,536 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of the interim dividend for the period from 1 January 2015 to 31 March 2015.
- 2.1.13 On 12 June 2015, the Company issued 61,002,179 Ordinary Shares pursuant to the 2015 Placing Programme.
- 2.1.14 On 26 August 2015, the Company issued 723,585 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of the interim dividend for the period from 1 April 2015 to 30 June 2015.
- 2.1.15 On 25 November 2015, the Company issued 572,610 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of the interim dividend for the period from 1 July 2015 to 30 September 2015.
- 2.1.16 On 10 December 2015, the Company issued 16,949,153 Ordinary Shares pursuant to the 2015 Placing Programme.
- 2.1.17 On 25 February 2016, the Company issued 596,219 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of the interim dividend for the period from 1 October 2015 to 31 December 2015.
- 2.1.18 On 27 May 2016, the Company issued 399,016 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of the interim dividend for the period from 1 January 2016 to 31 March 2016.
- 2.1.19 On 12 July 2016, the Company issued 64,377,682 Ordinary Shares pursuant to the 2016 Placing Programme.
- 2.1.20 On 26 August 2016, the Company issued 649,655 Ordinary Shares to Shareholders who decided to receive a scrip dividend in lieu of the interim dividend for the period from 1 April 2016 to 30 June 2016.
- 2.2 As at 24 March 2017 (being the latest practicable date before publication of this document), there were 733,743,716 Ordinary Shares (fully paid) and no C Shares nor Deferred Shares in issue.
- 2.3 As at 24 March 2017 (being the latest practicable date before publication of this document), the Company did not hold any Ordinary Shares in treasury.
- 2.4 Other than the issue of New Ordinary Shares and save in connection with the scrip dividend alternative offered by the Company, the Company has no present intention to issue any of the authorised but unissued Ordinary Shares or any of the authorised but unissued C Shares in the share capital of the Company.

- 2.5 As at 24 March 2017 (being the latest practicable date before publication of this document), the Company is aware of the following existing Shareholders who were at such time interested, directly or indirectly, in 3 per cent. or more of the Company's issued share capital:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>
Insight Investment Management	53,350,104	7.28
Investec Wealth Management	42,182,365	5.75
Rathbone Investment Management	41,090,694	5.61
Tredje AP Fonden	37,750,000	5.15
Close Asset Management	36,877,781	5.03
BMO Global Asset Management	35,734,952	4.87
Brewin Dolphin	34,954,444	4.77
West Yorkshire Pension Fund	30,344,860	4.14
Quilter Cheviot Investment Management	25,292,918	3.45

- 2.6 The Company does not have in issue any securities not representing share capital.
- 2.7 No shares of the Company are currently in issue with a fixed date on which entitlement to a dividend arises or with a time limit after which entitlement to a dividend lapses and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 2.8 Save as pursuant to the Share Issuance Agreement (which is summarised in paragraph 7.1 of this Part 6), no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company.
- 2.9 No share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option, nor will any such share or loan capital be under option or agreed, conditionally or unconditionally, to be put under option at Admission.
- 2.10 Other than pursuant to the 2017 Placing Programme, no shares of the Company have been sold or are available in whole or in part to the public in conjunction with the application for the New Ordinary Shares to be admitted to the Official List.
- 2.11 The New Ordinary Shares are in registered form. No temporary documents of title will be issued and prior to the issue of definitive certificates transfers will be certified against the register. New Ordinary Shares, when issued, will be transferred to successful applicants through CREST. The New Ordinary Shares to be held through CREST will be credited to CREST accounts on Admission, respectively.
- 2.12 No convertible securities, exchangeable securities or securities with warrants have been issued by the Company.
- 2.13 No person has voting rights that differ from those of other Shareholders.

3 Articles of Association

The Articles may be amended by special resolution pursuant to the Jersey Companies Law. The Articles contain, *inter alia*, the following material provisions.

3.1 Objects

The Memorandum and Articles do not limit the objects of the Company.

3.2 Voting rights

Subject to the rights or restrictions referred to in paragraph 3.3 below, and subject to any special rights or restrictions as to voting for the time being attached to any shares, on a show of hands (a) every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote; and (b) every proxy appointed by a member shall have one vote save that every proxy appointed by one or more members to vote for the resolution and by one or more other members to vote against the resolution, has one vote for and one vote against.

C Shares shall carry the right to receive notice of, attend and vote at any general meeting of the Company. The voting rights of the holders of C Shares will be the same as those applying to holders of Ordinary Shares. The Deferred Shares shall not carry any rights to receive notice of, attend or vote at any general meeting of the Company.

3.3 **Restrictions on voting**

Unless the Board otherwise decides, a member of the Company shall not be entitled to vote, either in person or by proxy, at any general meeting of the Company in respect of any share held by him unless all calls and other amounts presently payable by him in respect of that share have been paid.

A member of the Company shall not, if the Directors determine, be entitled to be present or to vote at general meetings of the Company or to exercise certain other rights of membership if he, or another person appearing to be interested in the relevant shares, has failed to comply with a notice requiring disclosure of interests in shares given under Article 43 of the Articles within 14 days.

3.4 **Dividends**

The Company may, by ordinary resolution, declare a dividend to be paid to the members, according to their respective rights and interests in the profit.

The holders of C Shares shall be entitled to receive, and participate in, any dividends declared only insofar as such dividend is attributed, at the sole discretion of the Directors, to the C Share Surplus.

If any dividend is declared after the issue of C Shares and prior to conversion of the C Shares to Ordinary Shares, the holders of Ordinary Shares shall be entitled to receive and participate in such dividend only insofar as such dividend is not attributed, at the sole discretion of the Directors, to the C Share Surplus.

Deferred Shares (to the extent that any are in issue and extant) shall not entitle the holders thereof to any dividend or any other right as the holders thereof to share in the profits (save as set out in paragraph 3.5 below) of the Company.

The Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Company. No dividend or other monies payable by the Company on or in respect of any shares shall bear interest as against the Company unless otherwise provided by the rights attaching to the relevant shares.

The Directors may, if authorised by an ordinary resolution of the Company, offer any holders of any particular class of shares in the Company the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend specified by the ordinary resolution.

The Company or the Board may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared.

A dividend unclaimed for a period of 12 years after having been declared or become due for payment shall be forfeited and cease to remain owing by the Company.

3.5 **Return of capital**

If the Company is in liquidation, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the same sanction, vest the whole or any part of the assets in trustees on trusts for the benefit of the members as the liquidator, with the same sanction, thinks fit but no member shall be compelled to accept any assets on which there is any liability.

In the event that there are C Shares in issue on a winding up or a return of capital, the capital and assets of the Company available to Shareholders shall, on such a winding up or a return of capital (otherwise than on a purchase by the Company of any of its shares), be applied as follows:

- (a) if there are for the time being Deferred Shares in issue, in paying to the holders of the Deferred Shares 1p in respect of all of the Deferred Shares;
- (b) the Share Surplus shall be divided among the holders of Ordinary Shares *pro rata* according to their respective holdings of Ordinary Shares; and
- (c) the C Share Surplus shall be divided amongst the holders of C Shares *pro rata* according to their respective holdings of C Shares.

In the event that no C Shares are in issue on a winding up or a return of capital, the capital and assets of the Company available to Shareholders shall on such a winding up or a return of capital (otherwise than on a purchase by the Company of its shares) be applied as follows:

- (i) if there are for the time being Deferred Shares in issue, in paying to the holders of the Deferred Shares 1p in respect of all of the Deferred Shares; and
- (ii) the surplus shall be divided amongst the holders of Ordinary Shares *pro rata* according to their respective holdings of Ordinary Shares.

3.6 **Variation of rights**

Any rights attaching to a class of shares in the Company may be varied in such manner (if any) as may be provided by those rights or with the written consent of the holders of three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the relevant class. The quorum for the separate general meeting shall be two persons holding, or representing by proxy, at least one-third in nominal amount of the issued shares of the relevant class (excluding any shares of that class held as treasury shares).

3.7 **Transfer of shares**

Subject to the restrictions set out in this paragraph, any member may transfer all or any of his shares in the Company in any manner which is permitted by the Statutes (as defined in the Articles) or in any other manner which is from time to time approved by the Board. The Deferred Shares shall not be transferable.

The instrument of transfer of any share in the Company shall be in writing in any usual common form or in any other form permitted by the Statutes (as defined in the Articles) or approved by the Board. The transferor is deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect of those shares. All transfers of uncertificated shares shall be made by means of the relevant system or in any other manner which is permitted by the Statutes or the Regulations (each as defined in the Articles) and is from time to time approved by the Board.

The board may, in its absolute discretion, refuse to register any transfer of a certificated share of any class which is not fully paid provided that, where any shares are admitted to the Official List or to trading on AIM, this does not prevent dealings in the shares of that class from taking place on an open and proper basis. The Directors may also refuse to register any transfer of shares in certificated form unless (a) the instrument of transfer, duly stamped, is deposited at the office of the Company or such other place as the Board may appoint, accompanied by the certificate for the shares to which it relates if such a certificate has been issued, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and (b) the transfer is in respect of only one class of shares and is in favour of no more than four transferees.

The Directors may, pursuant to the provisions of the Articles relating to disclosure of interests, decline to register a transfer in respect of shares which are the subject of a notice under Article 43 and in respect of which the required information has not been received by the Company within 14 days after service of the notice.

The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods as the Directors may determine.

In respect of any allotment of any share the Directors shall have the same right to decline to approve the registration of any renounee of an allottee as if the application to allot and the renunciation were a transfer of a share under the Articles.

Save as aforesaid, the Articles contain no restrictions as to the free transferability of fully paid shares.

3.8 ***Pre-emption rights***

There are no provisions under Jersey Companies Law equivalent to section 561 of the UK Companies Act 2006 which confer pre-emption rights on existing shareholders in connection with the allotment of equity securities for cash or otherwise, but similar pre-emption rights (with certain exceptions) are contained within the Articles.

The Articles provide that, unless otherwise authorised by a special resolution, the Company shall not allot equity securities (as defined in the Articles) on any terms unless (i) the Company has first made an offer to each person who holds ordinary shares in the Company to allot to him, on the same or more favourable terms, such proportion of those equity securities that is as nearly as practicable (fractions being disregarded) equal to the proportion in nominal value held by the relevant person of the ordinary shares in the Company; and (ii) the period, which shall not be less than 21 clear days, during which any offer referred to in (i) above may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer made. A reference to the allotment of equity securities includes the grant of a right to subscribe for, or to convert any securities into, equity securities in the Company but does not include the allotment of any equity securities pursuant to such a right.

The pre-emption rights set out above shall not apply to:

- (a) a particular allotment of equity securities if these are, or are to be, wholly or partly paid up or allotted otherwise than in cash or are allotted in whole or in part otherwise than for cash; or
- (b) the allotment of equity securities which would, apart from a renunciation or assignment of the right of their allotment, be held under an employee share scheme; or
- (c) the allotment of bonus shares in the Company.

3.9 ***Disclosure of interests in shares***

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (as amended from time to time) (“**DTR 5**”) of the UK Financial Conduct Authority Handbook apply to the Company on the basis that the Company is a “non-UK issuer”, as such term is defined in DTR 5. As such, a person is required to notify the Company of the percentage of voting rights it holds as a shareholder or holds or is deemed to hold through the direct or indirect holding of financial instruments falling within DTR 5 if, as a result of an acquisition or disposal of shares (or financial instruments), the percentage of voting rights reaches, exceeds or falls below the relevant percentage thresholds being, in the case of a non-UK issuer, 5, 10, 15, 20, 25, 30, 50 and 75 per cent. Pursuant to the Articles, DTR 5 is deemed to apply to the Company as though the Company were a “UK issuer”, as such term is defined by DTR 5. As such, the relevant percentage thresholds that apply to the Company are 3, 4, 5, 6, 7, 8, 9, 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent. notwithstanding that in the absence of the Articles such thresholds would not apply to the Company.

There are no provisions under Jersey Companies Law equivalent to those contained in Part 22 of the UK Companies Act 2006 (Disclosure of Interests in Shares). Accordingly, in order to make provision for the disclosure of interests, the Articles contain provisions which require members, in certain circumstances, to disclose interests in the shares of the Company.

The Company has the right, by service of notice in writing, to require a registered member to disclose to the Company the nature of his interest in shares in the Company held at such time or at any time in the previous 3 years including the identity of any person, other than the member, who has any interest in the shares held by the member, and the nature of such interest.

A member will be required to respond within 14 days of receipt of the notice. The sanctions applicable if a member is in default of his obligation to respond to such notice include the member being no longer entitled to exercise voting rights attaching to the shares held by that

member, dividends payable on the member's shares being withheld and transfers of shares being refused registration, in each case, until such time as the member complies with the obligation to respond.

3.10 **Alteration of capital and purchase of own shares**

The Company may alter its share capital in any way that is permitted by the Statutes (as defined in the Articles).

3.11 **General meetings**

The requirement for the Company to hold an annual general meeting may be dispensed with if all of the members agree in writing and any such agreement remains valid in accordance with the Jersey Companies Law. Otherwise, the Company shall in each calendar year hold a general meeting as its annual general meeting at such time and place outside the UK as may be determined by the directors provided that, so long as the Company holds its first annual general meeting within eighteen months of its incorporation, the Company need not hold an annual general meeting in the year of its incorporation or in the following year.

Convening of general meetings

All meetings, other than annual general meetings, shall be called general meetings. The Board may convene a general meeting whenever it thinks fit. All general meetings shall take place outside the UK. A general meeting shall also be convened by the Board on the requisition of members not later than two months after the receipt of the requisition pursuant to the provisions of Jersey Companies Law or, in default, may be convened by such requisitioners, as provided by the Statutes. The Board shall comply with the provisions of the Statutes regarding the giving and the circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company.

Notice of general meetings

At least fourteen clear days' notice shall be given of every annual general meeting and of every general meeting of the Company, including without limitation, every general meeting called for the passing of a special resolution.

Notwithstanding that a meeting is called by less than fourteen clear days' notice, any such meeting shall be deemed to have been duly called if it is so agreed (a) in the case of an annual general meeting by all the members entitled to attend and vote thereat and (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.

Every notice shall specify the place outside the UK, the day and the time of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of the Articles, and to any restrictions imposed on any shares, notice of every general meeting shall be given to all members, to all persons entitled to a share in consequence of the death, bankruptcy or incapacity of a member, to the auditors (if any) and to every Director who has notified the secretary in writing of his desire to receive notice of general meetings.

In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote at that meeting instead of him and that a proxy need not also be a member of the Company.

Quorum

No business shall be transacted at any general meeting, except the adjournment of the meeting, unless a quorum of members is present at the time when the meeting proceeds to business.

A quorum of members shall consist of not less than two members present but so that not less than two individuals will constitute the quorum, provided that, if at any time all of the issued shares in the Company are held by one member such quorum shall consist of that member present.

If within 15 minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to a day 10 clear days after the original meeting (or, if that day is not a business day, to the next business day) and the same time and place, as the original meeting, or to such later business day, and at such other time and place outside the UK, as the Board may decide and in the latter case not less than seven clear days' notice of the adjourned meeting shall be given in any manner in which notice of a meeting may lawfully be given for the time being. If at an adjourned meeting a quorum is not present within 15 minutes from the time fixed for holding the meeting, the meeting shall be dissolved.

Chairman

At each general meeting, the chairman of the Board or, if he is absent or unwilling, the deputy chairman (if any) of the Board or (if more than one deputy chairman is present and willing) the deputy chairman who has been longest in such office or, if no deputy chairman is present and willing, then one of the other Directors who is appointed for the purpose by the Board or (failing appointment by the Board), by the members present, shall preside as chairman of the meeting, but if no Director is present within 15 minutes after the time fixed for holding the meeting or, if none of the Directors present is willing to preside, the members present and entitled to vote shall choose one of their number to preside as chairman of the meeting.

Directors entitled to attend and speak

Whether or not he is a member, a Director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares of the Company.

Adjournment

With the consent of any meeting at which a quorum is present, the chairman of the meeting may (and if so directed by the meeting shall) adjourn the meeting from time to time or sine die and from place to place outside the UK.

In addition, the chairman of the meeting may at any time, without the consent of the meeting, adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and/or place outside the UK if, in his opinion, it would facilitate the conduct of the business of the meeting to do so, notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting.

Method of voting and demand for poll

At a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:

- (a) the chairman of the meeting;
- (b) not less than five members having the right to vote on the resolution;
- (c) a member or members representing in aggregate not less than 10 per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares),

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

Taking a poll

If a poll is demanded (and the demand is not withdrawn), it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days after the meeting), at such place outside the UK and in such manner as the chairman of the meeting shall direct and he may appoint scrutineers (who need not be members).

Proxies

A proxy need not be a member of the Company and a member may appoint more than one proxy in relation to a meeting to attend and to speak and to vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by a member.

3.12 **Directors**

Number and residence

Unless otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall be not less than two but there shall be no maximum number of Directors. A majority of the directors (including alternate directors) must be resident for tax purposes outside the UK.

Appointment of Directors

Subject to the provisions of the Articles any person who is willing to act to be a director either to fill a vacancy or as an additional director may be appointed by (a) the Company by ordinary resolution; or (b) the board.

No person (other than a director retiring by rotation or otherwise) shall be appointed or re-appointed a director at any general meeting unless: (a) he is recommended by the board; or (b) not less than 7 nor more than 42 clear days before the date appointed for the meeting there has been given to the Company, by a member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the appointment of that person in the prescribed form.

Remuneration

The Directors (other than any Director who for the time being holds an executive office of employment with the Company or a subsidiary of the Company) shall be paid out of the funds of the Company by way of remuneration for their services as Directors. The aggregate of such annual base fees shall not exceed £370,000 per annum (or such larger sum as the Company may, by ordinary resolution, determine) as the Directors may decide to be divided among them in such proportion and manner as they may agree or, failing agreement, equally.

Any fee payable to the Directors as detailed in the preceding paragraph shall be distinct from any remuneration or other amounts payable to a Director under other provisions of the Articles and shall accrue from day to day.

The Directors may be paid all reasonable travelling, hotel and other expenses properly incurred in connection with the exercise of their powers and discharge of their duties as Directors including expenses incurred in travelling to and from meetings of the Board, committee meetings, general meetings and separate meetings of the holders of any class of securities of the Company.

Retirement of Directors

At each annual general meeting, any Director who has been appointed by the Board since the previous annual meeting and any Director selected to retire by rotation pursuant to the Articles shall retire from office.

Retirement of Directors by rotation

At each annual general meeting of the Company, one-third of the Directors (excluding any Director who has been appointed by the Directors since the previous annual general meeting) or, if their number is not an integral multiple of 3, the number nearest to one-third, but not exceeding one-third, shall retire from office. In addition, each Director shall retire from office at the third annual general meeting after he was appointed or reappointed, if he would not otherwise fall within the Directors to retire by rotation.

The Directors to retire shall be those Directors who, at the date of the notice of the meeting, have been longest in office since their last appointment or re-appointment but, as between persons who became or were last re-appointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

The Directors to retire on each occasion shall be determined (both as to number or identity) by the composition of the Board on the day which is 14 days prior to the date of the notice convening the annual general meeting and no Directors shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after that time but before the close of the meeting.

A retiring Director shall be eligible for re-appointment and (unless he is removed from office or his office is vacated in accordance with the Articles) shall retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost.

If at any meeting at which the appointment of a Director ought to take place and the office vacated by a retiring Director is not filled, the retiring Director, if willing to act, shall be deemed to be reappointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.

Removal of Directors

The Company may by ordinary resolution in accordance with the Articles, remove any director before his period of office has expired notwithstanding anything in the Articles or in any agreement between him and the Company.

A director may also be removed from office by the service on him of a notice to that effect signed by all the other directors (which, for the avoidance of doubt, may be signed in counterpart). Any removal of a director in accordance with the Articles is without prejudice to any claim which such director may have for damages for breach of any agreement between him and the Company.

Vacation of Office of Director

The office of a director shall be vacated: (a) if he is prohibited by law from being a director; (b) if he becomes bankrupt or he makes any arrangement or composition with his creditors generally; (c) if a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; (d) if he is, or may be, suffering from mental disorder and in relation to that disorder either he is admitted to hospital for treatment or an order is made by a court (whether in Jersey or elsewhere) for his detention or for the appointment of some person to exercise powers with respect to his property or affairs; (e) if for more than six months he is absent (whether or not an alternate director attends in his place), without special leave of absence from the board, from meetings of the board held during that period and the board resolves that his office be vacated; or (f) if he serves on the Company notice of his wish to resign, in which event he shall vacate office on the service of that notice on the Company or at such later time as is specified in the notice.

Executive Directors

The Board may appoint one or more Directors to hold any executive office or employment under the Company for such period and on such terms as the Board may determine.

A Director appointed to any executive office or employment shall automatically cease to hold that office if he ceases to be a Director.

Directors' interests

A Director shall not be entitled to vote on a resolution (or attend or count in the quorum at those parts of a meeting regarding such resolution) relating to a transaction or arrangement with the Company in which he is interested, save where the other Directors resolve that the Director concerned should be entitled to do so where they are satisfied that the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest or save in any of the following circumstances:

- (a) the giving of any guarantee, security or indemnity in respect of (i) money lent or obligations incurred by such Director or by any other person at the request of or for the benefit of the Company (or any of its subsidiary undertakings) or in respect of (ii) a

- debt or obligation of the Company (or any of its subsidiary undertakings) for which such Director has assumed responsibility, in whole or in part, under a guarantee or an indemnity or by the giving of security;
- (b) any contract concerning an offer of shares, debentures or other securities of or by the Company (or any of its subsidiary undertakings) for subscription or purchase in which offer such Director is or may be entitled to participate as a holder of securities or such Director is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
 - (c) any contract in which such Director is interested by virtue of his interest in shares, debentures or other securities of the Company or otherwise in or through the Company;
 - (d) any contract concerning any other company in which such Director is interested, directly or indirectly, in 1 per cent. or more either of its equity share capital or of its voting rights;
 - (e) any contract relating to an arrangement for the benefit of the employees of the Company (or any of its subsidiary undertakings) which does not award such Director any privilege or benefit not generally awarded to the employees to whom the arrangement relates;
 - (f) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to both Directors and employees of the Company and/or any of its subsidiary undertakings;
 - (g) any contract concerning the adoption, modification or operation of an employees' share scheme; and
 - (h) any proposal concerning the purchase or maintenance of insurance for the benefit of persons including Directors.

Subject to the Statutes and to the interest of a Director being duly declared, a contract entered into by or on behalf of the Company in which any Director is any way interested shall not be avoided nor shall any Director be liable to account to the Company for any benefit realised as a result of the contract.

A Director shall not vote, or be counted in the quorum at a meeting, in respect of any resolution concerning his own appointment (including fixing or varying its terms), or the termination of his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested.

Where proposals are under consideration concerning the appointment (including fixing or varying its terms) or the termination of the appointment of two or more Directors to offices or places of profit with the Company or any other company which the Company is interested, a separate resolution may be put in relation to each Director and in that case, each Director concerned (if not otherwise debarred from voting) is entitled to vote in respect of such resolution unless it concerns his own appointment or the termination of his own appointment.

Authorisation of conflicts of interest

Where a situation occurs or is anticipated to occur which gives rise or may give rise to a conflict of interest on the part of any Director ("**Conflicted Director**") (other than a situation which cannot reasonably be regarded as likely to give rise to a conflict of interest), the matter shall be referred to the Directors other than the Conflicted Director (the "**Non-Conflicted Directors**").

The Non-Conflicted Directors shall meet to consider the matter as soon as possible after the matter is referred to them and they have received all relevant particulars relating to the situation. The quorum for a meeting of the Non-Conflicted Directors shall be the same as for a meeting of the Board. The Non-Conflicted Directors have authority to authorise any matter which gives rise to the conflict of interest concerned on such terms as they think fit.

Benefits

The Board may exercise all the powers of the Company to pay, provide or procure the grant of pensions or other retirement or superannuation benefits and death, disability or other benefits, allowances or gratuities to any person who is or who has at any time been a

director of the Company or of any Associated Company (as defined in the Articles) or in the employment or service of the Company or any Associated Company or of the predecessors in business of the Company or any Associated Company (or the relatives or dependants of any such person).

Powers of the Board

The business of the Company shall be managed by the Board which may exercise all the powers of the Company, subject to the provisions of the Statutes, the Memorandum and the Articles. No special resolution or alteration of the Memorandum or of the Articles shall invalidate any prior act of the Board which would have been valid if the resolution had not been passed or alteration had not been made.

Borrowing powers

Subject to the provisions of the Statutes and of the Articles, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property, assets (both present and future) and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

The Board shall not, without the previous sanction of the Company in general meeting, incur any financial indebtedness ("**New Borrowings**") if the aggregate liabilities of the Company in relation to such financial indebtedness (as defined in the Articles) immediately following the drawdown of such New Borrowings would exceed an amount equal to 20 per cent. of the value of the net assets of the Company immediately following such draw down.

Indemnity of officers

Insofar as the Statutes allow, each current or former officer of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by him by reason of being or having been such an officer.

The Board may, without sanction of the Company in general meeting, authorise the purchase or maintenance by the Company for any officer or former officer of the Company or any Associated Company of any such insurance as is permitted by the Statutes in respect of any liability which would otherwise attach to such officer or former officer.

Board meetings

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit provided that no meetings of Directors shall be held in the UK. Any decision reached or resolution passed by the Directors at any meeting which is held in the UK shall be invalid and of no effect.

Quorum

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. Subject to the provisions of the Articles, any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

There shall be no quorum unless a majority of Directors in attendance at a Board meeting (including any alternate Director) are resident for tax purposes outside the UK and are not attending the meeting from the UK by telephone or other means.

Voting

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote, unless he is not, in accordance with the Articles, to be counted as participating in the decision-making process for quorum, voting or agreement purposes.

4 Directors' Interests

- 4.1 As at 24 March 2017 (being the latest practicable date prior to the publication of this document), Paul de Gruchy held (directly or indirectly) 467,493 Ordinary Shares and Clive Spears held 25,756 Ordinary Shares. As at the date of this document, no other direct or

indirect interest in the Company is held by any of the Directors. The Directors may, however, subscribe for New Ordinary Shares pursuant to any Placing under the 2017 Placing Programme subject to compliance with the provisions relating to related party transactions in Chapter 11 of the Listing Rules.

- 4.2 No Director has any interest in any transactions which are or were unusual in their nature or conditions or which are or were significant to the business of the Company and which were effected by the Company in the current or immediately preceding financial year or which were effected during an earlier financial year and which remain in any respect outstanding or unperformed.
- 4.3 The Directors currently hold, and have during the five years preceding the date of this document held, the following directorships (other than the Company) or memberships of the following administrative, management or supervisory bodies and/or partnerships:

<i>Name</i>	<i>Name of company/partnership</i>	<i>Position still held (Y/N)</i>
Ian Reeves CBE	Alster Holdings Ltd	Y
	Zigmaney Consulting Limited	Y
	Synaps Limited	Y
	DBD Group Holdings Ltd	N
	Synaps Partners LLP	Y
	Synaps Digital Advisors Limited	Y
	FSI Europe Limited	N
	FSI Worldwide Limited	N
	DBD Limited	N
	ROC Energy Limited	N
	G4S FSI Limited	N
	Caddington Golf Club Limited	N
	Zigmaney Limited	N
	Fantastic Solutions Marketing Limited	N
	London Greenways Limited	N
	Griffiths-McGee Demolition Company Limited	N
	McGee (Haulage) Limited	N
	McGee Asbestos Removal Limited	N
	McGee Environmental Ltd	N
	McGee Group (Holdings) Limited	N
	McGee Bedrock Limited	N
	Bedrock Tipping Company (UK) Limited	N
	Tomorrow's People Limited	N
	T. McGee & Co Limited	N
	Tomorrow's People (Services) Limited	N
	Carlton Corporate Finance Limited	N
	Carlton Financial Group Limited	N
	Carlton Partners LLP	N
	Carlton Partnership LLP	N
	Carlton Financial Partners LP	N
	Verbus Systems Limited	N
	Stylus Ltd	N
	Constructing Excellence Limited	N
	Dealpride Limited	N
	Linscap LLP	N
	W1 Design LLP	N
	New Airport Limited	N
	Plantray Limited	N
	Pridedeal Limited	N
	International Construction Systems & Technologies Limited	N
	Glass Wall Solutions Limited	N
	SGH Martineau LLP	N
	Freedom Matters	N

<i>Name</i>	<i>Name of company/partnership</i>	<i>Position still held (Y/N)</i>	
David Pirouet	D.L.R.S Advisory Services Ltd	Y	
	Nordic Capital V Limited	Y	
	Nordic Capital VI Limited	Y	
	Nordic Capital VII Limited	Y	
	Ludgate Environmental Fund Limited	Y	
	EMSA (formerly CRG) Fund Management (Jersey) Ltd	Y	
	Kames (formerly Aegon) Target Healthcare General Partner Limited	Y	
	Kreos Capital Group Limited	Y	
	Kreos Capital Group V Limited	Y	
	ACPI Investments Group Limited	Y	
	ACPI FM Limited	Y	
	ACPI IM Limited	Y	
	ACPI Investments Limited	Y	
	ICG Europe Fund VI GP Limited	Y	
	ICG Europe Fund V GP Limited	Y	
	ICG Europe Fund V Jersey Limited	Y	
	ICG Europe Fund VI Jersey Limited	Y	
	ICG EFV MLP Limited	Y	
	ICG EFV MLP GP Limited	Y	
	ICG EFVI Treasury Limited	Y	
	ICG Asia Pacific Fund III GP Limited	Y	
	Vilaw Consultants Limited	Y	
	Nordic Capital V Escrow Limited	N	
	Stonehage Investment Partners Focussed Alternative Programme Limited	N	
	Mariposa Investments Limited	N	
	Neutral Estates Limited	N	
	Neutral Holdings Limited	N	
	Neutral Investments Limited	N	
	Tower House Consultants Limited	N	
	Clive Spears	EPE Special Opportunities plc	Y
		Meridian Asset Management (C.I.) Limited	Y
		Nordic Capital Limited	Y
		Nordic Capital VIII Limited	Y
		Nomura Fund of Funds GP Limited	Y
Nomura European Mezzanine Fund GP I Limited		Y	
Gorey Investments Limited		Y	
ICG Europe Fund V GP Limited		Y	
ICG Europe Fund V No. 1 Limited Partnership		Y	
ICG Europe Fund V Jersey Limited		Y	
ICG Europe Fund V Limited Partnership		Y	
ICG Europe Fund V CIP Limited Partnership		Y	
ICG Fund V Investor Feeder Limited Partnership		Y	
ICG Fund V Dutch CIP Limited Partnership		Y	
ICG EFV MLP Limited		Y	
ICG EFV MLP GP Limited		Y	
ICG Asia Pacific Fund III GP Limited		Y	
ICG Europe Fund VI GP Limited		Y	
Invesco Perpetual Enhanced Income Limited		Y	
Kreos Capital Group V Limited		Y	
Kreos Capital Group Limited		Y	
GCP Infrastructure Asset Holdings Limited		N	
Lema Fund Limited		N	
Collosseum Hilversum Managing Trustee Limited		N	
Rubicon Asset Management (Europe) Limited		N	

<i>Name</i>	<i>Name of company/partnership</i>	<i>Position still held (Y/N)</i>
	Nordic Capital III Limited	N
	Nordic Capital IV Limited	N
	Nordic Capital V Limited	N
	Nordic Capital VII Limited	N
	Cidron Atta Limited	N
	Moor Park Real Estate Fund III G.P. Limited	N
	Warner Funds Limited	N
	EPIC 2007 NO.1 Single Property Real Estate Company Limited	N
	Jersey Post International Limited	N
	Warner Advisors (Jersey) Limited	N
	Warner Estates GLO Limited	N
	Warner Estates AIF Limited	N
	GCP Infrastructure OEIC Limited	N
Paul de Gruchy	GCP Infrastructure Asset Holdings Limited	N
	Duet Africa Index plc	N
	Imperium Holdings Limited	N
	GCP Infrastructure OEIC Limited	N
	Musselwick Limited	N
Julia Chapman	Altair Partners Limited	Y
	Ampford Limited	Y
	APEF Management Company 5 Limited	Y
	Argentum Capital Limited	Y
	BGLD Limited	Y
	BH Global Limited	Y
	Black Crow Investments Limited	Y
	CVC Capital Partners Jersey Limited	Y
	CVC Capital Partners Advisory Holdings Limited	Y
	DG Macro Fund Limited	Y
	DG Partners International Limited	Y
	DG Systematic GP Limited	N
	DG Systematic Holdings Limited	N
	DG Systematic IP Holdings Limited	N
	FOUR Ampford Limited	Y
	Galactica Limited	Y
	Henderson Far East Income Limited	Y
	Highland Europe GPGP II Limited	Y
	Highland Europe GPGP Limited	Y
	Highview Limited	Y
	HSBC Bank International Limited	Y
	LDFM (Co-invest) Limited	Y
	LindenGrove Capital Feeder Fund Limited	Y
	LindenGrove Capital Manager Limited	Y
	LindenGrove Capital Master Fund Limited	Y
	London Diversified Fund Limited	N
	Long Lease Management Limited	Y
	Mosaic I Limited	Y
	Northzone Streaming Opportunities Limited	Y
	Segulah Investment III Limited	Y
	Segulah Investment IV Limited	Y
	Segulah L.P. III Limited	Y
	Segulah L.P. IV Limited	Y
	Segulah L.P. Limited	Y
	Segulah Management II Limited	Y
	Segulah Management III Limited	Y

<i>Name</i>	<i>Name of company/partnership</i>	<i>Position still held (Y/N)</i>
	Segulah Management IV Limited	Y
	TDO Ampford Limited	Y
	TFF III Limited	Y
	TFF IV Limited	Y
	TFF Limited	Y
	The Cultural Capital Fund Limited	Y
	THREE Ampford Limited	Y
	Triton Advisers Limited	Y
	Triton Debt Opportunities Managers Limited	Y
	Triton Investment Management Limited	Y
	Triton Managers II Limited	Y
	Triton Managers III Limited	Y
	Triton Managers IV Limited	Y
	Triton Managers Limited	Y
	Triton Partners (Holdco) Limited	Y
	Triton Value Fund Limited	Y
	Triton Value Fund Managers Limited	Y
	TWO Ampford Limited	Y
	Vapecula Limited	Y
	Bilgola Limited	N
	Brockhaus Private Equity Management (Jersey) Limited	N
	Careel Limited	N
	Clovelly Limited	N
	Cockatoo Limited	N
	Collaroy Limited	N
	Cronulla Limited	N
	Dee Why Limited	N
	Glenorchy Limited	N
	Hugin Holdings Limited	N
	Maroubra Limited	N
	Neo Liquidation (Jersey) Limited	N
	NZ (VII) GP Limited	N
	Pamela III Limited	N
	REcore London GP Limited	N
	Rumba Limited	N
	State Street (Jersey) Limited	N
	Tarpan Holdings Limited	N
	Woolloomooloo Limited	N
Michael Gray	Triton Value Fund Managers Limited	N
	Triton Value Fund Limited	N
	TFF III Limited	N
	TFF IV Limited	N
	TFF Limited	N
	Triton Debt Opportunities Managers Limited	N
	Triton Investment Management Limited	Y
	Triton Managers II Limited	N
	Triton Managers III Limited	N
	Triton Managers IV Limited	N
	Triton Managers Limited	N
	J-Star Jersey Company Limited	Y
	MMG Consulting Limited	Y
	EPIC 2007 No. 1 Single Property Real Estate Company Limited	N
	Foresight 4 VCT plc	Y

- 4.4 The business address of all of the Directors is 12 Castle Street, St. Helier, Jersey JE2 3RT.
- 4.5 None of the Directors has at any time within the last five years preceding the date of this document:
- (a) been a member of the administrative, management or supervisory bodies or a partner of any company or partnership;
 - (b) had any convictions (whether spent or unspent) in relation to offences involving fraud or dishonesty;
 - (c) been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
 - (d) been a director or senior manager of a company which has been put into receivership, compulsory liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors; or
 - (e) been the subject of any bankruptcy or been subject to an individual voluntary arrangement or a bankruptcy restrictions order.
- 4.6 There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any Director was selected.
- 4.7 There are no restrictions agreed by any Director on the disposal within a certain period of time of his or her other holdings in the Company's securities.
- 4.8 There are no outstanding loans or guarantees provided by the Company for the benefit of any of the Directors nor are there any loans or any guarantees provided by any of the Directors for the Company.
- 4.9 No Director or principal has any potential conflicts of interests between any duties the Directors or principal owes to the Company and any private interests and/or other duties.
- 4.10 The Company will maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company to the extent that the Company is able to obtain such insurance.

5 Directors' Remuneration and Service Agreements

- 5.1 The total remuneration received by the Directors during the financial year ended 30 September 2016 was £344,000.
- 5.2 The annual base remuneration payable to each Director is as follows:

<i>Name</i>	<i>Annual fee (£)</i>
Ian Reeves CBE (Chairman)	55,000
David Pirouet	45,000
Clive Spears	45,000
Paul de Gruchy	40,000
Julia Chapman	40,000
Michael Gray	40,000

- 5.3 The Company obtained Shareholder approval at the annual general meeting on 12 February 2015 to increase the maximum aggregate annual base fees payable to Directors to £370,000 per annum.
- 5.4 In addition to the Directors' base annual fees as set out above, the Company has agreed to pay the following additional remuneration:
- (a) £5,000 to each Director for services provided in connection with the 2017 Placing Programme;
 - (b) £10,000 per annum to David Pirouet as chairman of the audit committee of the Company, £3,500 per annum to each of Michael Gray and Ian Reeves as members of the audit committee of the Company; and

- (c) £10,000 per annum to each of Clive Spears, Paul de Gruchy and Julia Chapman as members of the investment committee of the Company.

5.5 All of the Directors are non-executive directors. No Director has a service contract with the Company, nor are any such arrangements proposed. Each of the Directors has entered into a letter of appointment with the Company. Each Director's appointment can be terminated in accordance with the terms of his letter of appointment and the Articles without compensation. There is no notice period specified in the letters of appointment for the retirement or removal of the Directors. The letters of appointment provide that a Director's appointment can be terminated by the Company if, among other things, the Director: (i) commits any act of gross misconduct, fraud or dishonesty; (ii) seriously or persistently neglects, fails or refuses to carry out any required duties; (iii) is declared bankrupt; (iv) is admitted to hospital for mental health treatment; (v) becomes disqualified or prohibited by law from being or acting as a director; or (vi) is convicted of any arrestable offence other than a road traffic offence for which a non-custodial sentence may be imposed.

5.6 None of the Directors is entitled to any pension, retirement or similar benefits.

6 The City Code

The City Code applies to all takeover and merger transactions in relation to the Company and operates principally to ensure that shareholders are treated fairly, are not denied an opportunity to decide on the merits of a takeover and to ensure that shareholders of the same class are afforded equivalent treatment.

The City Code provides an orderly framework within which takeovers are conducted and the Panel on Takeovers and Mergers has now been placed on a statutory footing.

The City Code is based upon a number of general principles which are essentially statements of standards of commercial behaviour. General Principle One states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment and if a person acquires control of a company, the other holders of securities must be protected. This is reinforced by Rule 9 of the City Code which requires a person, together with persons acting in concert with him, who acquires shares carrying voting rights which amount to 30 per cent. or more of the voting rights to make a general offer. "Voting rights" for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting. A general offer will also be required where a person who, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights, acquires additional shares which increase his percentage of the voting rights. Unless the Panel consents, the offer must be made to all other shareholders, be in cash (or have a cash alternative) and cannot be conditional on anything other than the securing of acceptances which will result in the offeror and persons acting in concert with him holding shares carrying more than 50 per cent. of the voting rights.

7 Material Contracts

The following are the only contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Company or another member of its group: (i) within the two years immediately preceding the publication of this document and that are, or may be, material; or (ii) that contain any provision under which the Company or another member of its group has any obligations or entitlement which is, or may be, material to it on the date of this document:

7.1 Share Issuance Agreement

Pursuant to the Share Issuance Agreement, the Bookrunner has agreed to use its reasonable endeavours to procure placees and the Investment Adviser has agreed, *inter alia*, to use its reasonable endeavours to make introductions to potential placees, each on the terms and subject to the conditions set out in the Share Issuance Agreement. Each issue of New Ordinary Shares will be conditional, *inter alia*, on Admission of the New Ordinary Shares.

Under the Share Issuance Agreement, the Company has agreed to pay aggregate fees and commissions equal to £100,000 and 1.25 per cent. of the gross proceeds raised from each Placing under the 2017 Placing Programme, together with any applicable VAT.

Stifel will be paid from such fees and commissions set out above, a fee of £50,000 for the provision of listing sponsor and bookrunner services and a placing commission of 1.0 per cent. of the gross proceeds raised from each Placing under the 2017 Placing Programme, together with any applicable VAT. Pursuant to the Share Issuance Agreement, Stifel may rebate any part of its commissions and fees to third parties.

The Investment Adviser will be paid from the fees and commissions set out above a fee of £50,000 in connection with transaction management and documentation services. The Investment Adviser shall provide, directly or indirectly through its appointment of Highland Capital Partners, marketing and investor introduction services. A commission of 0.25 per cent. of the gross proceeds raised from each Placing under the 2017 Placing Programme, together with any applicable VAT, is payable to the Investment Adviser from the fees and commission set out above and from which it will pay commissions to Highland Capital Partners. The amount of the fees and commissions payable to the Investment Adviser under the Share Issuance Agreement shall be subject to a cap, such that the aggregate amount paid by the Company to the Investment Adviser in any rolling 12 month period in respect of fees and commissions (save for any fees payable under the Investment Advisory Agreement) shall be limited to a maximum of 0.25 per cent. calculated on the lower of (i) the Net Asset Value and (ii) the market capitalisation of the Company, measured as at the time payment of any such fees and commissions becomes due from time-to-time.

The Share Issuance Agreement contains warranties given by the Company and the Investment Adviser to the Bookrunner as to the accuracy of the information contained in this document and other matters relating to the Company and its business, and also contains indemnities given by the Company and the Investment Adviser to the Bookrunner and indemnities given by the Company to the Investment Adviser, each in a form customary for this type of agreement. Stifel is entitled to terminate the Share Issuance Agreement in certain specified circumstances.

The Share Issuance Agreement is governed by the laws of England and the parties have submitted to the exclusive jurisdiction of the High Court of Justice in England and Wales.

7.2 *Revolving credit facility agreement*

On 18 January 2017 the Company entered into an agreement with the Royal Bank of Scotland in respect of an increase to the £50 million revolving credit facility entered into on 23 March 2015. The increased facility is for an amount of £75 million.

All amounts drawn under the facility are to be used in or towards the making of investments in accordance with the Company's investment policy. Interest on amounts drawn under the facility is charged at a rate of LIBOR plus the margin. The margin on the incremental amount is 1.60 per cent. per annum. A commitment fee computed at the rate of 0.64 per cent. per annum and calculated on a daily basis is payable on undrawn commitments. An arrangement fee was levied upon signing of the increase.

The facility imposes various minimum interest cover and loan-to-value covenants on the Company and is secured, *inter alia*, by way of a charge over accounts of the Company and a debenture over its assets.

7.3 *Investment Advisory Agreement*

Under the Investment Advisory Agreement, the Investment Adviser will provide or procure the provision of certain investment advisory services, including recommending and regularly reviewing the Company's investment policy and strategy, making investment recommendations to the Board, identifying potential investments and performing and/or procuring all due diligence in relation to potential investments. The Company will be under no obligation to follow any advice of the Investment Adviser.

Under the terms of the Investment Advisory Agreement, the Investment Adviser receives an investment advisory fee from the Company equal to 0.9 per cent. per annum of the Net Asset Value of the Company (net of cash holdings). This fee is calculated and payable quarterly in arrears. The Investment Adviser is also entitled to an arrangement fee of up to 1 per cent. (at the discretion of the Investment Adviser) of the cost of each asset acquired by the Company. The Investment Adviser will generally seek to charge the arrangement fee to borrowers rather than the Company where possible but, in any event, any such fee

payable to the Investment Adviser will not exceed (and has not to date exceeded) 1 per cent. To the extent any arrangement fee negotiated by the Investment Adviser with a borrower exceeds 1 per cent. the benefit of any such excess shall be paid to the Company.

The Investment Adviser receives a fee of £60,000 per annum for acting as the alternative investment fund manager.

The Investment Advisory Agreement is terminable upon 12 months' written notice, such notice not to be given prior to 28 February 2018. The agreement may be terminated at any time in certain circumstances, including in the event of the insolvency of the Company or the Investment Adviser and in the event of a change of control of the Investment Adviser. In addition, the Investment Advisory Agreement may be terminated by the Company giving 60 business days' written notice to the Investment Adviser upon the occurrence of a "**Key Person Event**".

A Key Person Event occurs if: (a) two or more of the "**Key Persons**" (being initially Stephen Ellis, Rollo Wright, Nick Parker and Ronan Kierans) should die or otherwise become incapacitated or shall retire, resign or cease to dedicate substantially all of their working time to providing services to the Company; and (b) suitable replacement Key Persons have not been approved by the Company.

In addition, the Investment Advisory Agreement is terminable by the Company in the event that there is a "material and demonstrable deterioration in the quality of performance of, or the services provided by, the Investment Adviser". The determination of whether performance issues should lead to termination rests entirely with the Company.

The Investment Advisory Agreement is governed by the laws of the Island of Jersey and the parties have submitted to the non-exclusive jurisdiction of the courts of the Island of Jersey.

Indemnity and extent of liability

The Investment Adviser will not, in the absence of fraud, negligence or wilful default on its part or on the part of its employees, be liable for any loss, damage, cost, claim or expenses sustained or suffered by the Company as a result, or in the course of, the discharge of its duties pursuant to the Investment Advisory Agreement. In addition, the Company has agreed to indemnify the Investment Adviser and its employees from and against any and all liabilities, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from fraud, negligence, or wilful default on the part of the Investment Adviser or its employees) incurred in performing their obligations or duties pursuant to the Investment Advisory Agreement.

Conflicts of Interest

The Investment Adviser or any "Associate" (as defined in the Investment Advisory Agreement) or any directors, officers, employees, agents and affiliates of any of them (each an "**Interested Party**") may be involved in other financial, investment or other professional activities which may, on occasion, give rise to conflicts of interest with the Company, including with regard to the allocation of investment opportunities to different clients. Whenever such conflicts arise, the Investment Adviser shall endeavour to ensure that they are resolved, and any relevant investment opportunities allocated, fairly. Each such conflict will be fully disclosed to the Company by the Investment Adviser provided that such disclosure does not breach the rules of the FCA.

Exclusivity and Non-Compete

Neither the Investment Adviser nor, *inter alia*, any employee of the Investment Adviser, may (while the Investment Advisory Agreement is in force) without the express prior written consent of the Company act as the adviser, manager or sponsor of any fund or entity that may invest in assets within the scope of the Company's investments or engage in any activity which may compete in the same or substantially similar investment area as the Company.

7.4 **Administration Agreement**

The Administrator has been appointed, pursuant to the Administration Agreement between the Company and the Administrator, to provide accounting, company secretarial and administration services to the Company.

The Administration Agreement provides for the payment by the Company of an annual fee based on a percentage (on a sliding scale) of the Net Asset Value (calculated and accrued on the last business day of each month and payable monthly in arrears), being:

- (a) where NAV is less than or equal to £100 million, 0.125 per cent. per annum of NAV;
- (b) where NAV is greater than £100 million but less than or equal to £350 million, 0.125 per cent. per annum of NAV on the first £100 million and 0.10 per cent. per annum of NAV on the balance;
- (c) where NAV is greater than £350 million but less than or equal to £500 million, 0.125 per cent. per annum of NAV on the first £100 million, 0.10 per cent. per annum of NAV on the next £250 million and 0.075 per cent. per annum of NAV on the balance; and
- (d) where NAV is greater than £500 million, 0.125 per cent. per annum of NAV on the first £100 million, 0.10 per cent. per annum of NAV on the next £250 million, 0.075 per cent. per annum of NAV on the next £150 million and 0.05 per cent per annum of NAV on the balance, subject to a minimum annual fee of £160,000.

In addition, the Administrator will charge a fee of £35,000 for each issue of C Shares.

The annual fee charged by the Administrator for the provision of a Jersey Compliance Officer, Money Laundering Compliance Officer and Money Laundering Reporting Officer is £10,000 per annum payable monthly in arrears.

The Administration Agreement contains provisions whereby the Company indemnifies and holds harmless the Administrator from and against any and all claims against the Administrator resulting or arising from the Company's breach of the Administration Agreement and, in addition, any third party claims relating to or arising from or in connection with the Administration Agreement or the services contemplated therein except to the extent that any such claims have resulted from the negligence, fraud or wilful default of the Administrator. Further, the liability of the Administrator to the Company under the Administration Agreement is limited (in the absence of fraud) to the lesser of (a) £1,000,000 or (b) an amount equal to ten times the annual fee paid to the Administrator thereunder.

The Administration Agreement is terminable, *inter alia*, (a) upon six months' written notice or (b) immediately upon the occurrence of certain events including the insolvency of the Company or the Administrator, the Administrator ceasing to be resident in Jersey for fiscal purposes or a party committing a material breach of the Administration Agreement (where such breach has not been remedied within thirty days of written notice being given).

The Administration Agreement is governed by the laws of the Island of Jersey and the parties have submitted to the non-exclusive jurisdiction of the courts of the Island of Jersey.

7.5 **Share Registration Services Agreement**

The Registrar has been appointed pursuant to the Share Registration Services Agreement to provide certain share registration and online services to the Company. The Share Registration Services Agreement provides for the payment by the Company of the fees and charges of the Registrar.

Under the Share Registration Services Agreement, the Registrar is entitled to receive a minimum agreed fee of £17,900 per annum in respect of basic registration. Together with any additional registrar activity not included in such basic registration services, it is currently expected the fees payable to the Registrar will be approximately £57,500 per annum.

The Share Registration Services Agreement contains provisions whereby the Company indemnifies the Registrar, its affiliates and their directors, officers, employees and agents from and against any and all losses, damages, liabilities, professional fees (including but not limited to legal fees), court costs and expenses resulting or arising from the Company's breach of the Share Registration Services Agreement. In addition, any third-party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the Share Registration Services Agreement or the services contemplated therein are included, except to the extent such losses as set out in this paragraph are determined to have resulted solely from the negligence, fraud or wilful default of the indemnified party seeking the indemnity.

The Share Registration Services Agreement is terminable, *inter alia*, (a) upon three months' written notice in the event of a disagreement over fees; (b) upon service of written notice if the other party commits a material breach of its obligations under the Share Registration Services Agreement which that party has failed to remedy within 45 days of receipt of a written notice to do so from the first party; or (c) upon service of written notice if a resolution is passed or an order made for the winding-up, dissolution or administration of the other party. The Share Registration Services Agreement automatically renews for successive 12 month periods, unless otherwise terminated as set out above or by either party giving not less than six months' notice but not to expire earlier than the expiry of the relevant 12 month period.

The Share Registration Services Agreement is governed by the laws of the Island of Jersey and the parties have submitted to the exclusive jurisdiction of the courts of the Island of Jersey.

7.6 Custodian Agreement

The Custodian has been appointed, pursuant to the Custodian Agreement between the Company and the Custodian, to act as custodian and depositary, for the purposes of AIFMD, of the Company.

The Custodian Agreement contains provisions whereby the Company will indemnify the Custodian against all actions, proceedings, claims, costs, demands and expenses which it may suffer or incur in connection with the performance of its duties pursuant to the agreement, except such as shall arise as a result of negligence, fraud, wilful default or bad faith on the part of the Custodian.

The fees payable by the Company pursuant to the Custodian Agreement accrue daily at an agreed annual rate of 0.03 per cent. per annum of NAV subject to a minimum annual fee of £40,000.

The Custodian Agreement is terminable upon six months' written notice and immediately upon the occurrence of certain events, including insolvency or material and continuing breach.

The Custodian Agreement is governed by the laws of the Island of Jersey and the parties have submitted to the non-exclusive jurisdiction of the courts of the Island of Jersey.

7.7 Valuation Engagement Letter

The Valuation Agent has been appointed by the Company pursuant to the Valuation Engagement Letter. The Valuation Agent is responsible for providing a monthly valuation report to the Company and valuing assets acquired as at acquisition. The Valuation Agent is entitled to a fee of 0.108 per cent. of the nominal value of the drawn down amount of the loan, subject to a minimum fee per valuation of £5,000 and a maximum of £30,000 with a further fee for quarterly updates of £240,000 per year. The Valuation Engagement Letter may be terminated by 21 days' notice in writing by either party.

The Company is currently in discussions with the Valuation Agent to agree an amendment to the terms of its engagement to reflect, *inter alia*, the move to quarterly valuations.

7.8 2016 share issuance agreement

Pursuant to a share issuance agreement dated 18 April 2016 entered into by the Company in connection with the 2016 Placing Programme, Stifel agreed to use its reasonable endeavours to procure places for Ordinary Shares to be issued pursuant to the 2016 Placing Programme.

Under the agreement, the Company agreed to pay Stifel and the Investment Adviser aggregate fees and commissions equal to £100,000 and 1.25 per cent. of the gross proceeds raised from each placing under the 2016 Placing Programme, together with any applicable VAT. From these fees, Stifel were paid a fee of £50,000 for the provision of listing sponsor services and a placing commission of 1.0 per cent. of the gross proceeds raised from each placing pursuant to the 2016 Placing Programme, together with any applicable VAT. The Investment Adviser was paid a fee of £50,000 in connection with transaction management and documentation services. The Investment Adviser provided marketing and investor introduction services, directly or indirectly, through its appointment of Highland Capital

Partners. A commission of 0.25 per cent. of the gross proceeds raised from each placing under the 2016 Placing Programme together with any applicable VAT was also paid to the Investment Adviser.

The agreement contained warranties given by the Company and the Investment Adviser to Stifel as to the accuracy of the information contained in the prospectus issued by the Company in connection with the 2016 Placing Programme and other matters relating to the Company and its business, and also contained indemnities given by the Company to Stifel in a form customary for this type of agreement.

7.9 **2015 share issuance agreement**

Pursuant to a share issuance agreement dated 30 March 2015 entered into by the Company in connection with the 2015 Placing Programme, each of Stifel and Cenkos Securities plc agreed to use their reasonable endeavours to procure placees for Ordinary Shares to be issued pursuant to the 2015 Placing Programme.

The agreement contained warranties given by the Company and the Investment Adviser to Stifel and Cenkos Securities plc as to the accuracy of the information contained in the prospectus issued by the Company in connection with the 2015 Placing Programme and other matters relating to the Company and its business, and also contained indemnities given by the Company to Stifel and Cenkos Securities plc in a form customary for this type of agreement.

8 **Working Capital**

The Company is of the opinion that the working capital available to it is sufficient for its present requirements, that is for at least the next 12 months from the date of this document.

9 **Capitalisation and indebtedness**

	<i>As at 31 December 2016 £'000</i>
Total current debt	
Guaranteed	—
Secured	—
Unguaranteed/unsecured	—
	<hr/>
Total current debt	—
	<hr/> <hr/>
Total non-current debt (excluding current portion of long-term debt)	
Guaranteed	—
Secured	—
Unguaranteed/unsecured*	—
	<hr/>
Total non-current debt*	—
	<hr/> <hr/>
Shareholders' equity	
	<i>As at 31 December 2016 £'000</i>
Share capital	7,331
Share premium	782,744
Other capital reserves	101
	<hr/>
Total capitalisation*	790,176
	<hr/> <hr/>

**Excludes retained earnings*

There has been no material change in the capitalisation of the Company since 30 September 2016, save for the impact of the issue of 72,874,494 Ordinary Shares pursuant to the 2016 Placing Programme which raised gross proceeds of £90 million. A further 211,066 Ordinary Shares were issued on 25 November 2016 to Shareholders who elected to receive scrip dividends in lieu of the interim dividend for the period from 1 July 2016 to 30 September 2016. A further 632,235 Ordinary Shares were issued to Shareholders who elected to receive the scrip dividend alternative in lieu of cash for the interim dividend for the period from 1 October 2016 to 31 December 2016.

The above table, sourced from the Company's internal accounting records, shows the Company's unaudited indebtedness (distinguishing between guaranteed and unguaranteed and secured indebtedness) as at 31 December 2016 and the Company's audited capitalisation as at 30 September 2016 (being the latest date in respect of which the Company has published audited financial information) extracted from the audited financial statements for the year ended 30 September 2016.

	<i>Notes</i>	<i>As at 31 December 2016 £'000</i>
Net indebtedness		
A. Cash		57,742
B. Cash equivalent – amounts held on security account		—
C. Trading securities		—
D. Liquidity (A+B+C)		57,742
E. Current financial receivables		—
F. Current bank debt		—
G. Current proportion of non-current debt		—
H. Other current financial debt		—
I. Current financial debt (F+G+H)		—
J. Net current financial indebtedness/(resources) (I-E-D)	1	(57,742)
K. Non-current bank loans		—
L. Bonds issued		—
M. Other non-current loans		—
N. Non-current financial indebtedness (K+L+M)		—
O. Net financial indebtedness/(resources) (J+N)	1	(57,742)

Note 1 – Figures in brackets in lines J and O are indicative of financial resources.

There is no indirect or contingent indebtedness. The information set out above has not been audited and has been extracted from unaudited information set out in the most recent unaudited accounts of the Company as at 31 December 2016.

10 Litigation

There are no governmental, legal or arbitrational proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during the 12 month period prior to the date of publication of this document which may have, or have had in the recent past, a significant effect on the Company's financial position or profitability.

11 Related Party Transactions

Other than:

- (i) the increase to the maximum aggregate annual base fees payable to Directors (as set out in paragraph 5.3 of this Part 6); and
- (ii) an increase to the fee payable to the Investment Adviser for acting as the Company's alternative investment fund manager from £20,000 per annum to £60,000 per annum (as set out in paragraph 3 of Part 2 of this document);

- (iii) the fees payable to the Investment Adviser in connection with the 2016 Placing Programme and the 2017 Placing Programme as disclosed in paragraphs 7.1 and 7.8 of this Part 6 above; and
- (iv) as disclosed in note 17 on page 69, note 20 on page 85 and note 20 on page 77 of the audited financial statements of the Company for the financial years ended on 30 September 2014, 30 September 2015 and 30 September 2016, respectively, which are incorporated by reference in this document,

the Company has not entered into any related party transactions during the period from 1 October 2013 to the date of this document.

12 Third party information

Where third party information has been referenced in this document, the source of that third party information has been disclosed. The Company and Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

13 General

13.1 Save to the extent disclosed below, there has been no significant change in the financial condition or trading position of the Company since 30 September 2016, being the end of the period covered by the historical financial information:

- (a) the Company has advanced new loans totalling £69.6 million;
- (b) on 14 October 2016, the Board announced a dividend of 1.9 pence per Ordinary Share for the period from 1 July 2016 to 30 September 2016;
- (c) on 22 November 2016, the Company drew down £10 million on its £50 million revolving credit facility with Royal Bank of Scotland International Limited;
- (d) on 25 November 2016, 211,066 Ordinary Shares were issued to Shareholders who elected to receive the scrip dividend alternative in lieu of cash for the interim dividend for the period from 1 July 2016 to 30 September 2016;
- (e) on 1 December 2016, the Company completed a Placing of 72,874,494 Ordinary Shares, raising gross proceeds of £90 million;
- (f) on 7 December 2016, the Company repaid £36.5 million of its £50 million revolving credit facility with Royal Bank of Scotland, bringing the balance on the facility as at that date to nil;
- (g) on 17 January 2017, the Board announced a dividend of 1.9 pence per Ordinary Share for the period from 1 October 2016 to 31 December 2016, payable on 3 March 2017;
- (h) on 18 January 2017 the Company entered into a three year extension to its revolving credit facility with the Royal Bank of Scotland for an amount of £75 million; and
- (i) on 3 March 2017, 632,235 Ordinary Shares were issued to Shareholders who elected to receive the scrip dividend alternative in lieu of cash for the interim dividend for the period from 1 October 2016 to 31 December 2016.

13.2 Expenses payable by the Company in relation to the 2017 Placing Programme irrespective of whether any Ordinary Shares are issued under the 2017 Placing Programme will be approximately £320,000. On the assumption that the Company issues the maximum number of New Ordinary Shares available for issue under the 2017 Placing Programme at an average Issue Price of 113.02 pence* per Ordinary Share, the gross proceeds from the 2017 Placing Programme will be £243 million and the expenses payable by the Company in relation to the 2017 Placing Programme (including the costs of establishment of, and publication of the documentation relating to, the 2017 Placing Programme, fees, commissions and registration and Admission fees) will be £4.1 million, resulting in net proceeds of approximately £238.9 million.

**This assumed illustrative Issue Price represents the NAV per Ordinary Share (cum-income) as at 30 December 2016 together with a premium of 2 per cent., expected to cover the costs and expenses of the 2017 Placing Programme.*

- 13.3 Stifel Nicolaus Europe Limited is registered in England and Wales under number 03719559 and its registered office is at 4th Floor, 150 Cheapside, London EC2V 6ET. Stifel is regulated by the Financial Conduct Authority and is acting in the capacity of sponsor and bookrunner to the Company.
- 13.4 Stifel Nicolaus Europe Limited has given, and has not withdrawn, its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.
- 13.5 The Investment Adviser accepts responsibility for and has authorised the inclusion (in the form and context in which it is included) of the information attributed to it in this document, including, without limitation, the information contained in paragraph 8 of Part 1 entitled “Investment Process”, paragraph 3 of Part 2 entitled “Investment Adviser” and Part 3 entitled “Current Portfolio”, and declares that, having taken all reasonable care to ensure that such is the case, the information attributed to it in this document is to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.
- 13.6 The Investment Adviser has given, and has not withdrawn, its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.
- 13.7 There are no patents or other intellectual property rights, licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company’s business or profitability.
- 13.8 As described in paragraph 2.2 of this Part 6, as at 24 March 2017 (being the latest practicable date prior to publication of this document), the issued and fully paid share capital of the Company was 733,743,716 Ordinary Shares of £0.01 par value.
- 13.9 The Company paid a dividend of: (i) 7.60 per Ordinary Share for the year ended 30 September 2016 (amounting to £46.1 million); (ii) 7.60 per Ordinary Share for the year ended 30 September 2015 (amounting to £39.0 million); and (iii) 7.60 per Ordinary Share for the year ended 30 September 2014 (amounting to £29.6 million).
- 13.10 The ISIN for the Ordinary Shares is JE00B6173J15. The Ordinary Shares are not listed on any other market for securities.
- 13.11 As at the date of this document, the Company is not aware of any person or persons who, directly or indirectly, jointly or severally, exercises control of the Company, nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

14 Documents Available For Inspection

Copies of the following documents will be available for inspection following receipt of a request made to the company secretary during normal business hours on any day (except Saturdays, Sundays, bank and public holidays) free of charge to the public at the offices of the Company from the date of this document until 27 March 2018:

- 14.1 the Memorandum and the Articles; and
- 14.2 the annual reports (or, if more recent, any half yearly report) and audited financial statements of the Company that are incorporated by reference in Part 7 of this document.

The register of members of the Company shall be available for inspection at the registered office of the Registrar.

PART 7

FINANCIAL INFORMATION ON THE COMPANY

1. Audited consolidated financial statements of the Company for the financial year ended 30 September 2014 and audited financial statements of the Company for the financial year ended 30 September 2015 and the financial year ended 30 September 2016

The audited consolidated financial statements of the Company for the financial year ended 30 September 2014 and the audited financial statements of the Company for the financial years ended 30 September 2015 and 30 September 2016 have been prepared in accordance with International Financial Reporting Standards and have been submitted to the National Storage Mechanism and are available for inspection at www.hemscott.com/nsm.do and are incorporated into this document by reference.

The audited consolidated financial statements of the Company for the financial year ended 30 September 2014 (which have been incorporated in this document by reference), include, on the pages specified in the table below, the following information:

<i>Nature of information</i>	<i>For the year ended 30 September 2014 Page No(s)</i>
Consolidated Statement of Comprehensive Income	50
Consolidated Statement of Financial Position	51
Consolidated Statement of Cash Flow	53
Consolidated Statement of Changes in Equity	52
Significant Accounting policies	54-58
Notes to the Consolidated Financial Statements	54-70
Independent Auditor's Report	47-49
Chairman's Statement	4-6
Introduction	1-7
Strategic Report	8-29
Directors' Report	32-34
Remuneration Report	35-37
Corporate Governance Statement	38-43
Audit Committee Report	44-45

Any statement contained in the audited consolidated financial statements of the Company for the financial year to 30 September 2014 which is deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this document.

The audited financial statements of the Company for the financial year ended 30 September 2015 (which have been incorporated in this document by reference), include, on the pages specified in the table below, the following information:

	<i>For the year ended 30 September 2015</i>
<i>Nature of information</i>	<i>Page No(s)</i>
Statement of Comprehensive Income	62
Statement of Financial Position	63
Statement of Cash Flow	65
Statement of Changes in Equity	64
Notes to the Financial Statements	66-68
Independent Auditor's Report	56-61
Chairman's Statement	4-8
Introduction	1-9
Strategic Report	12-35
Directors' Report	52-54
Remuneration Report	49-51
Corporate Governance Statement	38-43
Audit Committee Report	44-46

Any statement contained in the audited financial statements of the Company for the financial year to 30 September 2015 which is deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this document.

The audited financial statements of the Company for the financial year ended 30 September 2016 (which have been incorporated in this document by reference), include, on the pages specified in the table below, the following information:

	<i>For the year ended 30 September 2016</i>
<i>Nature of information</i>	<i>Page No(s)</i>
Statement of Comprehensive Income	56
Statement of Financial Position	57
Statement of Cash Flows	59
Statement of Changes in Equity	58
Significant accounting policies	60-70
Notes to the Financial Statements	60-79
Independent Auditor's Report	53-55
Chairman's Statement	4-5
Introduction	1-4
Strategic Report	8-33
Directors' Report	49-51
Remuneration Report	46-48
Corporate Governance Statement	36-41
Audit Committee Report	42-44

Any statement contained in the audited financial statements of the Company for the financial year to 30 September 2016 which is deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this document.

The Company will provide, without charge, to each person to whom a copy of this document has been delivered, upon the written request of such person, a copy of the audited consolidated financial statements of the Company for the financial year ended 30 September 2014 and a copy

of each of the audited financial statements of the Company for the financial years ended 30 September 2015 and 30 September 2016 that are incorporated by reference herein. Written requests should be directed to the Company at its registered office. The parts of the above mentioned documents which are not incorporated by reference into this Prospectus are either not relevant for investors or are covered elsewhere within this Prospectus.

2. Selected financial information

Selected historical key financial information of the Company as at 30 September 2014, 30 September 2015 and 30 September 2016 is set out below. The information has been extracted without material adjustment from the audited consolidated financial statements of the Company for the year ended 30 September 2014 and the audited financial statements of the Company for the years ended 30 September 2015 and 30 September 2016.

	<i>As at</i> <i>30 September</i> <i>2016</i> <i>£'000</i>	<i>As at</i> <i>30 September</i> <i>2015</i> <i>£'000</i>	<i>As at</i> <i>30 September</i> <i>2014*</i> <i>£'000</i>
Assets			
Cash and cash equivalents	52,057	4,906	38,432
Receivables and prepayments	303	1,279	44,613
Investments at fair value	699,682	657,730	389,036
Total assets	<u>752,042</u>	<u>663,915</u>	<u>472,081</u>
Liabilities			
Payables and accrued expenses	1,998	3,248	1,278
Financial liabilities at fair value	26,208	41,123	—
Total liabilities	<u>28,206</u>	<u>44,371</u>	<u>1,278</u>
Net assets	<u>723,836</u>	<u>619,544</u>	<u>470,803</u>

* The 30 September 2014 figures appear as restated in the audited financial statements for the year ended 30 September 2015 following the adoption of IFRS 10 as of 1 October 2014.

Detailed below are the adjusted Net Asset Values attributable to the holders of Ordinary Shares as at the relevant dates as calculated in accordance with the Company's policies as described in this document for calculating its published Net Asset Value.

	<i>As at</i> <i>30 September</i> <i>2016</i>	<i>As at</i> <i>30 September</i> <i>2015</i>	<i>As at</i> <i>30 September</i> <i>2014</i>
<i>Period/Year end position</i>			
Net assets attributable to Ordinary Shares (£'000)	723,836	619,544	470,803
Net Asset Value per Ordinary Share	109.67p	107.47p	104.53p

3. Operating and Financial Review

The published annual reports and audited accounts of the Company for the financial years ended 30 September 2014, 30 September 2015 and 30 September 2016 included, on the pages specified in the table below (which have been incorporated in this document by reference), descriptions of the Company's financial condition, changes in its financial condition and details of the Company's portfolio of investments for each of those periods.

<i>Nature of information</i>	<i>For the year ended 30 September 2016 Page No(s)</i>	<i>For the year ended 30 September 2015 Page No(s)</i>	<i>For the year ended 30 September 2014 Page No(s)</i>
Chairman's statement	4-5	4-8	4-6
Strategic Report	8-33	12-35	8-29
Directors' Report	49-51	52-54	32-34

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“2014 Placing Programme”	the placing programme of new Ordinary Shares as described in the prospectus dated 12 February 2014, under which gross proceeds of £90 million were raised
“2015 Placing Programme”	the placing programme of new Ordinary Shares as described in the prospectus dated 30 March 2015, under which gross proceeds of £90 million were raised
“2016 Placing Programme”	the placing programme of new Ordinary Shares as described in the prospectus dated 18 April 2016, under which gross proceeds of £165 million were raised
“2017 Placing Programme”	the placing programme of up to 215 million New Ordinary Shares as described in Part 4 of this document
“Administration Agreement”	the administration agreement dated 31 January 2014 between the Company and the Administrator, details of which are set out in paragraph 7.4 of Part 6 of this document
“Administrator”	Capita Financial Administrators (Jersey) Limited or such administrator as may be appointed from time to time by the Company
“Admission”	the admission of any New Ordinary Shares to be issued pursuant to a Placing under the 2017 Placing Programme to the Premium Listing segment of the Official List and to trading on the premium segment of the London Stock Exchange’s Main Market for listed securities
“AIC”	the Association of Investment Companies
“AIC Code”	the AIC’s Code of Corporate Governance, as amended from time to time
“AIF”	an alternative investment fund within the meaning of AIFMD
“AIFM”	an alternative investment fund manager within the meaning of AIFMD
“AIFMD”	the Alternative Investment Fund Managers Directive 2011/61/EU as implemented in the UK
“Articles of Association” or “Articles”	the articles of association of the Company in force from time to time
“Auditors”	KPMG Channel Islands Jersey Limited or such auditor (who shall be suitably qualified under Jersey Companies Law) as may be appointed from time to time by the Company
“Board” or “Board of Directors”	the board of directors of the Company
“Bookrunner”	Stifel
“Business Day”	any day (other than a Saturday or a Sunday) on which commercial banks are open for business in London and Jersey
“C Share Surplus”	the net assets of the Company attributable to the C Shares, being the assets attributable to such C Shares (including, for the avoidance of doubt, any income and/or revenue (net of expenses) arising from or relating to such assets) less such proportion of the Company’s liabilities as the Directors shall reasonably allocate to the assets of the Company attributable to the C Shares
“C Shares”	C shares of £0.01 each in the capital of the Company having the rights set out in the Articles and as summarised in this document
“certificated” or “in certificated form”	in certificated form, that is, not in CREST
“CIF Law”	Collective Investment Funds (Jersey) Law 1988, as amended

“City Code”	the City Code on Takeovers and Mergers
“Company”	GCP Infrastructure Investments Limited
“CREST”	the computerised settlement system operated by Euroclear UK and Ireland Limited which facilitates the transfer of title to shares in uncertificated form
“CRS” or “Common Reporting Standard”	the new global standard for the automatic exchange of financial information between tax authorities developed by the OECD
“Current Portfolio”	the Company’s investment portfolio as at the Latest Practicable Date, as described in Part 3 of this document
“Custodian”	Capita Trust Company (Jersey) Limited
“Custodian Agreement”	the custodian agreement dated 21 July 2014 between the Company and the Custodian, details of which are set out in paragraph 7.6 of Part 6 of this document
“Custody Assets”	(i) all financial instruments which are not capable of being physically delivered to the Custodian but that can be registered or held in an account directly or indirectly in the name of the Custodian and are transferable securities including those which embed derivatives, money market instruments or units of collective investment undertakings; and (ii) all financial instruments belonging to the Company or the Investment Adviser acting on its behalf, which are capable of being physically delivered to the Custodian
“Deferred Shares”	redeemable deferred shares of £0.01 each in the capital of the Company
“Director”	a director of the Company from time to time
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules contained in the FCA’s Handbook of Rules and Guidance
“EBITDA”	earnings before interest, tax, depreciation and amortisation
“EEA”	the European Economic Area
“EU”	the European Union
“Feed-in Tariff” or “FIT”	the Feed-in Tariff scheme as introduced on 1 April 2010 under the Energy Act 2008
“FCA” or “Financial Conduct Authority”	the Financial Conduct Authority of the United Kingdom in its capacity as the competent authority for the purposes of FSMA
“FSMA”	the Financial Services and Markets Act 2000 of the United Kingdom, as amended
“GCP Asset Backed Income”	GCP Asset Backed Income Fund Limited
“GCP Student Living”	GCP Student Living plc
“HMRC”	HM Revenue & Customs
“IFRS”	International Financial Reporting Standards as adopted by the European Union
“Investment Adviser”	Gravis Capital Partners LLP, being the investment adviser to the Company
“Investment Advisory Agreement”	the investment advisory agreement dated 28 June 2010, as amended, between the Company and the Investment Adviser, details of which are set out in paragraph 7.3 of Part 6 of this document
“Investment Company Act”	the United States Investment Company Act of 1940, as amended

“IPO”	the initial public offer of the Company pursuant to which 40,000,000 Ordinary Shares were admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange’s Main Market for listed securities on 22 July 2010
“Issue Price”	the minimum price at which any New Ordinary Shares will be issued or sold to investors under the 2017 Placing Programme, being equal to the prevailing Net Asset Value per Ordinary Share (cum-income) at the time of allotment together with a premium intended to at least cover the costs and expenses of the relevant Placing (including, without limitation, any placing commissions)
“Jersey Companies Law”	the Companies (Jersey) Law, 1991 (as amended)
“Jersey Listed Fund Guide”	the Jersey Listed Fund Guide published by the JFSC
“JFSC”	the Jersey Financial Services Commission
“Latest Practicable Date”	28 February 2017, being the latest practicable date prior to the date of this document for ascertaining certain information contained herein
“LIBOR”	the London Interbank Offered Rate, being the average rate of interest that leading banks in London charge when lending to other banks
“Listing Rules”	the listing rules made by the UK Listing Authority under section 73A of FSMA
“London Stock Exchange”	London Stock Exchange plc
“MAR”	regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse
“Member State”	a sovereign state which is a member of the European Union
“Memorandum”	the memorandum of association of the Company in force from time to time
“NAV” or “Net Asset Value”	the value of the assets of the Company less its liabilities as determined in accordance with the procedure set out in paragraph 12 of Part 1 of this document in the paragraph entitled “Valuation and valuation methodology”, or as otherwise determined by the Board
“New Ordinary Shares”	the Ordinary Shares proposed to be issued pursuant to the 2017 Placing Programme
“Official List”	the official list of the UK Listing Authority
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of the Company
“Panel”	the Panel on Takeovers and Mergers
“PFI”	private finance initiative
“Placing”	the placing of New Ordinary Shares at the Issue Price pursuant to the 2017 Placing Programme, as described in Part 4 of this document
“Premium Listing”	a listing on the Official List which complies with the requirements of the Listing Rules for a premium listing
“Primary Information Provider”	an entity approved by the FCA under s.89P of the Financial Services and Markets Act 2000 as a primary information provider
“project agreement”	the agreement or group of agreements entered into by a Project Company which regulates its rights and obligations with regard to the relevant infrastructure project
“Project Company”	means a single purpose vehicle established to design and/or finance and/or construct and/or operate and/or acquire one or more infrastructure assets

“Prospectus”	this document, which constitutes a prospectus relating to the Company in accordance with the Prospectus Rules
“Prospectus Directive”	the EU Prospectus Directive 2003/71/EC
“Prospectus Rules”	the rules made for the purposes of Part VI of FSMA in relation to offers of securities to the public and admission of securities to trading on a regulated market
“Relevant Member State”	a member state of the European Economic Area which has implemented the Prospectus Directive
“Reorganisation”	the reorganisation of the Company pursuant to the Scheme and certain ancillary matters, which became effective on 7 February 2014 and under which GCP Infrastructure Asset Holdings Limited became a wholly-owned subsidiary of the Company
“ROCs”	renewables obligation certificates
“Royal Bank of Scotland”	The Royal Bank of Scotland International Limited
“Scheme”	the court-sanctioned scheme of arrangement made under Article 125 of the Jersey Companies Law between the Company, GCP Infrastructure Asset Holdings Limited and shareholders in GCP Infrastructure Asset Holdings Limited other than the Company, which became effective on 7 February 2014
“Securities Act”	the United States Securities Act of 1933 (as amended)
“Share Issuance Agreement”	the Share Issuance Agreement dated 28 March 2017 between the Company, the Investment Adviser and the Bookrunner, details of which are set out in paragraph 7.1 of Part 6 of this document
“Share Registration Services Agreement”	the share registration services agreement dated 28 June 2010 between the Company and the Registrar, details of which are set out in paragraph 7.5 of Part 6 of this document
“Shareholders”	holders of Ordinary Shares
“Share Surplus”	the net assets of the Company less the C Share Surplus
“Sponsor” or “Stifel”	Stifel Nicolaus Europe Limited
“TCGA”	the Taxation of Chargeable Gains Act 1992
“TIOPA”	the Taxation (International and Other Provisions) Act 2010
“UK Corporate Governance Code”	the UK Corporate Governance Code published from time to time by the Financial Reporting Council
“UK Listing Authority”	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“US” or “United States”	the United States of America, its states, territories and possessions, including the District of Columbia
“Valuation Agent”	Mazars LLP or such other independent valuer as may be appointed by the Company from time to time
“Valuation Engagement Letter”	the valuation engagement letter dated 4 October 2016, as amended, between the Company and the Valuation Agent, details of which are set out in paragraph 7.7 of Part 6 of this document
“VAT”	value added tax or any similar or replacement tax

TERMS AND CONDITIONS OF THE 2017 PLACING PROGRAMME

In these terms and conditions, which apply to the 2017 Placing Programme:

”**EEA States**” means the states which comprise the European Economic Area;

”**Money Laundering Regulations**” means the Money Laundering (Jersey) Order 2008;

”**Regulation S**” means Regulation S under the Securities Act;

”**Rule 144A**” means Rule 144A of the Securities Act; and

”**US Person**” means a “US Person” as defined in Regulation S of the Securities Act.

Save where the context otherwise requires, words and expressions defined in the Prospectus of which these terms and conditions form part have the same meanings where they are used in these terms and conditions.

The terms and conditions

These terms and conditions apply to persons making an offer to subscribe for New Ordinary Shares under the 2017 Placing Programme (which may include the Bookrunner or its nominee).

Each person to whom these conditions apply, as described above, who confirms its agreement to the Bookrunner to subscribe for New Ordinary Shares (an “**Investor**”) hereby agrees with the Bookrunner and the Company to be bound by these terms and conditions as being the terms and conditions upon which New Ordinary Shares will be subscribed under the 2017 Placing Programme. An Investor shall, without limitation, become so bound if the Bookrunner confirms to the Investor its allocation.

The Company and/or the Bookrunner may require any Investor to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Investor to execute a separate placing letter (a “**Placing Letter**”).

Agreement to purchase New Ordinary Shares

Conditional on (i) Admission occurring on or prior to 8.00 a.m. (London Time) on such dates as may be agreed between the Bookrunner and the Company prior to the closing of each Placing (not being later than 27 March 2018) and (ii) the Share Issuance Agreement becoming unconditional in respect of the Placing (save for conditions relating to Admission) and not having been terminated in accordance with its terms before Admission an Investor agrees to subscribe for, as more particularly described below, at the Issue Price, the number of New Ordinary Shares allocated to such Investor in accordance with the arrangements described in these terms and conditions. To the fullest extent permitted by law, each Investor acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights such Investor may have.

Any commitment to acquire New Ordinary Shares under the 2017 Placing Programme agreed orally with the Bookrunner, as agent for the Company, will constitute an irrevocable, legally binding commitment upon that person (who at that point will become an Investor) in favour of the Company and the Bookrunner, to subscribe for the number of New Ordinary Shares allocated to it and comprising its placing confirmation on the terms and subject to the conditions set out in this part of the Prospectus and in the contract note (the “**Contract Note**”) and the Placing Letter (if any) and in accordance with the Articles in force as at the date of Admission. Except with the consent of the Bookrunner, such oral commitment will not be capable of variation or revocation after the time at which it is made.

Each Investor’s allocation of Ordinary Shares under the 2017 Placing Programme will be evidenced by a Contract Note confirming: (i) the number of New Ordinary Shares that such Investor has agreed to acquire; (ii) the aggregate amount that such Investor will be required to pay for such New Ordinary Shares; and (iii) settlement instructions to pay the Bookrunner, as agent for the Company. The provisions set out in this part of the Prospectus will be deemed to be incorporated into that Contract Note.

Payment for New Ordinary Shares

Each Investor undertakes to pay the Issue Price for the New Ordinary Shares issued to such Investor in such manner as shall be directed by the Bookrunner.

In the event of any failure by any Investor to pay as so directed by the Bookrunner, the relevant Investor shall be deemed hereby to have appointed the Bookrunner or any nominee of the Bookrunner as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the New Ordinary Shares in respect of which payment shall not have been made as directed by the Bookrunner and to indemnify the Bookrunner and its respective affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales. A sale of all or any of such New Ordinary Shares shall not release the relevant Investor from the obligation to make such payment for New Ordinary Shares to the extent that the Bookrunner or its nominee have failed to sell such New Ordinary Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, exceeds the Issue Price per New Ordinary Share.

Settlement of transactions in the New Ordinary Shares following Admission will take place in CREST but the Bookrunner reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Investor (whether orally, in the Contract Note, in the Placing Letter (if any) or otherwise) or would not be consistent with the regulatory requirements in any Investor's jurisdiction.

Representations and warranties

By agreeing to subscribe for New Ordinary Shares under the 2017 Placing Programme, each Investor which enters into a commitment to subscribe for New Ordinary Shares will (for itself and for any person(s) procured by it to subscribe for New Ordinary Shares and any nominee(s) for any such person(s)) be deemed to undertake, represent and warrant to each of the Company, the Bookrunner, the Investment Adviser and the Registrar that:

- 1 in agreeing to subscribe for the New Ordinary Shares under the 2017 Placing Programme, it is relying solely on this document and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the New Ordinary Shares, and the 2017 Placing Programme. It agrees that none of the Company, the Bookrunner, the Investment Adviser or the Registrar, nor any of their respective officers, agents, employees or affiliates, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- 2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for New Ordinary Shares under the 2017 Placing Programme, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Bookrunner, the Investment Adviser or the Registrar or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the 2017 Placing Programme;
- 3 it has carefully read and understands this document in its entirety and acknowledges that it is acquiring New Ordinary Shares on the terms and subject to the conditions set out in this part of the Prospectus and in the Contract Note, the Placing Letter (if any) and the Articles as in force at the date of Admission;
- 4 the price payable per New Ordinary Share is payable to the Bookrunner on behalf of the Company in accordance with the terms of these terms and conditions and in the Contract Note and the Placing Letter (if any);
- 5 it has the funds available to pay for in full the New Ordinary Shares for which it has agreed to subscribe and that it will pay the total subscription amount in accordance with the terms set out in these terms and conditions and as set out in the Contract Note and the Placing Letter (if any) on the due time and date;
- 6 it has not relied on the Bookrunner or any person affiliated with the Bookrunner in connection with any investigation of the accuracy of any information contained in this document;

- 7 it acknowledges that the content of this document is exclusively the responsibility of the Company and the Directors and neither the Bookrunner nor any person acting on its behalf nor any of its affiliates is responsible for or shall have any liability for any information, representation or statement contained in this document or any information published by or on behalf of the Company and will not be liable for any decision by such Investor to participate in the 2017 Placing Programme based on any information, representation or statement contained in this document or otherwise;
- 8 it acknowledges that no person is authorised in connection with the 2017 Placing Programme to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by the Bookrunner, the Company or the Investment Adviser;
- 9 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- 10 it accepts that none of the New Ordinary Shares has been or will be registered under the securities laws, or with any securities regulatory authority of, the United States, any member state of the EEA other than the United Kingdom, Australia, Canada, the Republic of South Africa or Japan (each a "**Restricted Jurisdiction**"). Accordingly, the New Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Jurisdiction unless an exemption from any registration requirement is available;
- 11 if it is within the United Kingdom, it is a person who falls within (i) Articles 49(2)(A) to (D) or (ii) Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the "**Order**") or is a person to whom the New Ordinary Shares may otherwise lawfully be offered under such Order, or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the New Ordinary Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- 12 if it is a resident in the EEA (other than the United Kingdom), it is a qualified investor within the meaning of the law in the relevant EEA State implementing Article 2(1)e(i), (ii) or (iii) of the Prospectus Directive;
- 13 in the case of any New Ordinary Shares acquired by such Investor as a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive (i) the New Ordinary Shares acquired by it in the 2017 Placing Programme have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Bookrunner has been given to the offer or resale; or (ii) where New Ordinary Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those New Ordinary Shares to it is not treated under the Prospectus Directive as having been made to such persons;
- 14 if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the 2017 Placing Programme (for the purposes of these terms and conditions, each a "**Placing Document**") constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for New Ordinary Shares pursuant to the 2017 Placing Programme unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and New Ordinary Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 15 if it is in the Bailiwick of Guernsey, it has received the Prospectus from a person licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), or is itself regulated under that law, the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended), or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000 (as amended);

- 16 it does not have a registered address in, and is not a citizen, resident or national of any jurisdiction in which it is unlawful to make or accept an offer of the New Ordinary Shares and it is not acting on a non-discretionary basis for any such person;
- 17 if the Investor is a natural person, such Investor is not under the age of majority (18 years of age in the United Kingdom) on the date of such Investor's agreement to subscribe for New Ordinary Shares under the 2017 Placing Programme and will not be any such person on the date any such Placing under the 2017 Placing Programme is accepted;
- 18 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the New Ordinary Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and acknowledges and agrees that no Placing Document is being issued by the Bookrunner in its capacity as an authorised person under section 21 of FSMA and it may not therefore be subject to the controls which would apply if they were made or approved as a financial promotion by an authorised person;
- 19 it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA and MAR with respect to anything done by it in relation to the New Ordinary Shares in, from or otherwise involving, the United Kingdom;
- 20 it is aware of the provisions of the Criminal Justice Act 1993 regarding insider dealing, Article 8 of MAR and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with any obligations imposed by such statutes and regulation;
- 21 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document nor any other Placing Document to any persons within the United States or to any US Persons, nor will it do any of the foregoing;
- 22 it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "United States Purchase and Transfer Restrictions" below;
- 23 no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the New Ordinary Shares or possession of the Prospectus (and any supplementary prospectus issued by the Company), in any country or jurisdiction where action for that purpose is required;
- 24 it acknowledges that neither the Bookrunner nor any of its respective affiliates nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the 2017 Placing Programme or providing any advice in relation to the 2017 Placing Programme and participation in the 2017 Placing Programme is on the basis that it is not and will not be a client of the Bookrunner and that the Bookrunner has duties or responsibilities to it for providing protection afforded to its clients or for providing advice in relation to the 2017 Placing Programme nor, if applicable, in respect of any representations, warranties, undertaking or indemnities contained in the Placing Letter;
- 25 that, save in the event of fraud on the part of the Bookrunner, neither the Bookrunner, its ultimate holding company nor any direct or indirect subsidiary undertakings of such holding company, nor any of their respective directors, members, partners, officers and employees shall be responsible or liable to such Investor or any of its clients for any matter arising out of the Bookrunner's role as sponsor and bookrunner or otherwise in connection with the 2017 Placing Programme and that where any such responsibility or liability nevertheless arises as a matter of law such Investor and, if relevant, its clients, will immediately waive any claim against any of such persons which such Investor or any of its clients may have in respect thereof;
- 26 it acknowledges that where it is subscribing for New Ordinary Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the New Ordinary Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this document; and (iii) to receive on behalf of each such account any documentation relating to the 2017 Placing Programme in the form provided by the Company and/or the Bookrunner. It agrees that the provisions of this paragraph shall survive any resale of the New Ordinary Shares by or on behalf of any such account;

- 27 it irrevocably appoints any Director and any director of the Bookrunner to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the New Ordinary Shares for which it has given a commitment under the 2017 Placing Programme in the event of its own failure to do so;
- 28 it accepts that if the 2017 Placing Programme does not proceed or the relevant conditions to the Share Issuance Agreement are not satisfied or the New Ordinary Shares for which valid application are received and accepted are not admitted to trading on the premium segment of the London Stock Exchange's Main Market for any reason whatsoever then neither the Bookrunner nor the Company nor the Investment Adviser, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- 29 in connection with its participation in the 2017 Placing Programme it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations 2007 in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing); or (iii) subject to any applicable laws or regulations (including the Proceeds of Crime (Jersey) Law 1999, as amended, the Money Laundering (Jersey) Order 2008 and the Handbook for the Prevention and Detection of Money Laundering and the Financing of Terrorism for Regulated Financial Services Businesses pursuant thereto);
- 30 it acknowledges that due to anti-money laundering requirements, the Bookrunner, the Administrator, the Registrar and the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, the Bookrunner and the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will indemnify the Bookrunner and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been requested has not been provided by it in a timely manner;
- 31 that it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Proceeds of Crime Act 2002;
- 32 it acknowledges and agrees that information that it provides in any way by whatever means in relation to any natural person (a "**relevant individual**") and whether in relation to an application for New Ordinary Shares or otherwise (together "**personal data**") will be held, controlled and processed by the Administrator as a "data controller" under the Data Protection (Jersey) Law 2005, as amended (the "**DP Law**") in confidence and in accordance with its obligations under the DP Law. Such Investor consents (and warrants that each relevant individual has consented) to its personal data (the "**Sensitive Personal Data**") being disclosed to, held and processed by the Administrator, the Company or the Registrar, any group company, delegate or appointee of or service provider or adviser to any of foregoing, and/or any judicial, governmental, administrative or regulatory bodies for any of the following purposes:
- (a) to comply with any statutory or regulatory requirements applicable to or in-house procedures of any such person (including under anti-money laundering legislation and/or to verify the identity of the Investor);
 - (b) to manage or administer such Investor's holdings in the Company and any related account on an ongoing basis, to operate the Company or to carry out statistical analysis or market research;
 - (c) to verify the identity of the Company in connection with any actual or proposed investments of the Company or for any purpose which the Administrator considers is in the legitimate business interests of the Company; and/or

- (d) for any other specific purpose to which such Investor has given specific consent;
- 33 any such disclosure of personal data shall be in accordance with the obligations of the disclosing party under the DP Law;
- 34 it hereby acknowledges (and warrants that each relevant individual acknowledges) that in the course of the processing and disclosure described above its personal data may be transferred to entities situated or operating in countries outside of the Channel Islands and the European Economic Area and that such countries may not have data protection laws equivalent to those in Jersey and such Investor consents to any such transfer. The Administrator will, where required to do so by law or where it considers appropriate, implement contracts which seek to ensure that any such entity is contractually bound to provide an adequate level of protection in respect of the personal data transferred to it;
- 35 the Bookrunner and the Company are entitled to exercise any of their rights under the Share Issuance Agreement or any other right in their absolute discretion without any liability whatsoever to them;
- 36 the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that the Bookrunner and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the New Ordinary Shares are no longer accurate, it shall promptly notify the Bookrunner and the Company;
- 37 where it or any person acting on behalf of it is dealing with the Bookrunner, any money held in an account with the Bookrunner on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the Financial Conduct Authority which therefore will not require the Bookrunner to segregate such money, as that money will be held by the Bookrunner under a banking relationship and not as trustee;
- 38 any of its clients, whether or not identified to the Bookrunner, will remain its sole responsibility and will not become clients of the Bookrunner for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 39 it accepts that the allocation of Ordinary Shares shall be determined by the Bookrunner in its absolute discretion and that it may scale down any Placing Programme commitments for this purpose on such basis as it may determine;
- 40 time shall be of the essence as regards its obligations to settle payment for the New Ordinary Shares and to comply with its other obligations under the 2017 Placing Programme;
- 41 it authorises the Bookrunner to deduct from the total amount subscribed under the 2017 Placing Programme the aggregation commission (if any) (calculated at the rate agreed with such Investor) payable on the number of New Ordinary Shares allocated under that Placing;
- 42 in the event that a supplementary prospectus is required to be produced pursuant to section 87G FSMA and in the event that it chooses to exercise any right of withdrawal pursuant to section 87(Q)(4) FSMA, such Investor will immediately re-subscribe for the New Ordinary Shares previously comprising its Placing commitment; and
- 43 the commitment to subscribe for New Ordinary Shares on the terms set out in these terms and conditions will continue notwithstanding any amendment that may in the future be made to the terms of the 2017 Placing Programme and that it will have no right to be consulted or require that its consent be obtained with respect to the Company's conduct of the 2017 Placing Programme.

United States purchase and transfer restrictions

By participating in the 2017 Placing Programme, each Investor acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for New Ordinary Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the Bookrunner, the Investment Adviser and the Registrar that:

- 1 it is either: (i) not a US Person, is not located within the United States, is acquiring the New Ordinary Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the New Ordinary Shares for the account or benefit of a US Person; or (ii) a US

Person to whom New Ordinary Shares may be offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States;

- 2 it acknowledges that the New Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons absent registration or an exemption from registration under the Securities Act;
- 3 it acknowledges that the Company has not registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;
- 4 unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the New Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a “plan” as defined in Section 4975 of the Internal Revenue Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Internal Revenue Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the Internal Revenue Code. In addition, if an investor is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code, its purchase, holding, and disposition of the Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- 5 that if any New Ordinary Shares offered and sold pursuant to Regulation S are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

“GCP INFRASTRUCTURE INVESTMENTS LIMITED (THE “**COMPANY**”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**US INVESTMENT COMPANY ACT**”). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE US INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE MADE UNLESS SUCH PURCHASE, SALE OR TRANSFER WILL NOT RESULT IN THE ASSETS OF THE COMPANY CONSTITUTING “PLAN ASSETS” WITHIN THE MEANING OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“**ERISA**”), THAT ARE SUBJECT TO PART 4 OF TITLE I OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “**CODE**”);”

- 6 if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the New Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the Securities Act and under circumstances which: (a) will not require the Company to register under the US Investment Company Act; and (b) will not result in the assets of the Company constituting “plan assets” within the meaning of ERISA, that are subject to Part 4 of Title I of ERISA or Section 4975 of the Internal Revenue Code;

- 7 it is purchasing the New Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the New Ordinary Shares in any manner that would violate the Securities Act, the US Investment Company Act or any other applicable securities laws;
- 8 it acknowledges that the Company reserves the right to make inquiries of any holder of the New Ordinary Shares or interests therein at any time as to such person's status under the US federal securities laws and to require any such person that has not satisfied the Company that the holding of New Ordinary Shares by such person will not violate or require registration under the US securities laws to transfer such New Ordinary Shares or interests in accordance with the Articles;
- 9 it acknowledges and understands the Company is required to comply with CRS and FATCA and that the Company will comply with any reporting and withholding requirements. The Investor agrees to provide the Company at the time or times prescribed by applicable law and at such time or times reasonably requested by the Company such information and documentation prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under CRS and FATCA;
- 10 it is entitled to acquire the New Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the New Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Bookrunner, the Investment Adviser or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection its acceptance of participation in the 2017 Placing Programme;
- 11 it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the New Ordinary Shares to or within the United States or to any US Persons, nor will it do any of the foregoing; and
- 12 if it is acquiring any New Ordinary Shares as a fiduciary or agent for one or more accounts, the investor has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

The Company, the Bookrunner, the Investment Adviser and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements. If any of the representations, warranties, acknowledgments or agreements made by the Investor are no longer accurate or have not been complied with, the Investor must immediately notify the Company.

Supply of information

If the Bookrunner, the Registrar or the Company or any of their agents request any information about an Investor's agreement to subscribe for New Ordinary Shares under the 2017 Placing Programme, such Investor must promptly disclose it to them.

Miscellaneous

- 1 The rights and remedies of the Company, the Bookrunner, the Investment Adviser and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 2 On application, if an Investor is an individual, that Investor may be asked to disclose in writing or orally, his nationality. If an Investor is a discretionary fund manager, that Investor may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the 2017 Placing Programme will be sent at the Investor's risk. They may be returned by post to such Investor at the address notified by such Investor.

- 3 Each Investor agrees to be bound by the Articles once the New Ordinary Shares, which the Investor has agreed to subscribe for pursuant to the 2017 Placing Programme, have been acquired by the Investor. The contract to subscribe for New Ordinary Shares under the 2017 Placing Programme and the appointments and authorities mentioned in this document will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Bookrunner, the Company and the Registrar, each Investor irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against an Investor in any other jurisdiction.
- 4 In the case of a joint agreement to subscribe for New Ordinary Shares under the 2017 Placing Programme, references to an Investor in these terms and conditions are to each of the Investors who are a party to that joint agreement and their liability is joint and several.
- 5 The Bookrunner and the Company expressly reserve the right to modify the 2017 Placing Programme (including, without limitation, their timetable and settlement) at any time before allocations are determined. The 2017 Placing Programme is subject to the satisfaction of the conditions contained in the Share Issuance Agreement and the Share Issuance Agreement not having been terminated.

